

**UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re: W. R. Grace & Co., et al
Debtor

Case No. 01-01139 Jointly Administered
Reporting Period: January 2005

MONTHLY OPERATING REPORT

File with Court and submit copy to United States Trustee within 20 days after end of month

Submit copy of report to any official committee appointed in the case.

REQUIRED DOCUMENTS	Form No.	Document Attached	Explanation Attached
Schedule of Cash Receipts and Disbursements	MOR-1	X	
Bank Reconciliation (or copies of debtor's bank reconciliations)	MOR-1 (con't)	X	
Copies of bank statements		X	
Cash disbursements journals			Not available
Statement of Operations	MOR-2	X	
Balance Sheet	MOR-3	X	
Status of Postpetition Taxes	MOR-4	X	
Copies of IRS Form 6123 or payment receipt			Not available
Copies of Federal income tax returns filed during reporting period			None filed
Summary of Unpaid Postpetition Debts	MOR-4		See Note #4
Listing of aged accounts payable			See Note #4
Accounts Receivable Reconciliation and Aging	MOR-5	X	
Debtor Questionnaire	MOR-5	X	

I declare under penalty of perjury (28 U.S.C. Section 1746) that this report and the documents attached are true and correct to the best of my knowledge and belief.

Signature of Debtor

Date

Signature of Joint Debtor

Date

Robert M. Tarola
Signature of Authorized Individual*

25 February 2005
Date

Robert M. Tarola
Printed Name of Authorized Individual

Senior Vice President and
Chief Financial Officer
Title of Authorized Individual

*Authorized individual must be an officer, director or shareholder if debtor is a corporation; a partner if debtor is a partnership; a manager or member if debtor is a limited liability company.

**W. R. Grace & Co.
Monthly Financial Report
January 31, 2005**

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Monthly Operating Report

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Bank Statements

Federal Income Tax Returns

None

Forward-Looking Information

This monthly financial report contains forward-looking information that involves risks and uncertainties. For such information, Grace claims the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. Actual results could differ materially from the results predicted, and reported results should not be considered as a indication of future performance. Factors that could cause actual results to differ from those contained in the forward-looking information include those factors set forth in Grace's most recent Annual Report on Form 10-K and quarterly reports on Form 10-Q, which have been filed with the Securities Exchange Commission.

Statement of Confidentiality

The information contained in the monthly financial report contains confidential information of W. R. Grace & Co. and its subsidiaries (the "Confidential Information"). The Confidential Information has been prepared solely for information purposes and may not be disclosed to any person or entity or reproduced, disseminated or disclosed, in whole or in part, except to officers, directors, employees, and representatives of the recipient ("Representatives") or as required by applicable law or regulation. By receipt of the Confidential Information, each recipient agrees to (1) use the Confidential Information only to enhance its understanding of Grace and its businesses, and (2) inform its Representatives of the confidential nature of such information and direct them to treat such information in accordance with the terms. Each recipient agrees to be responsible for any breach of these provisions by any of its Representatives.

Monthly Operating Report

W. R. Grace & Co. - Conn

Schedule of Cash Receipts and Disbursements

MOR-1

January 2005

	DIP More than 90 days Disbursement	Watchman Deposits	Intercompany Deposits	Intercompany Investment	Intercompany Investment	Miscellaneous Investment	Other Monetary Assets Investment
CASH BEGINNING OF MONTH	\$ 54,780	\$ -	\$ (0)	\$ 0	\$ 330,261.771	\$ 0	\$ 744,821
RECEIPTS							
ACCOUNTS RECEIVABLE - THIRD PARTIES							
ACCOUNTS RECEIVABLE - INTERCOMPANY							
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI							
DIP BORROWINGS							
TRANSFERS IN - THIRD PARTIES			647,607		621,985		
TRANSFERS IN - NONFILING ENTITIES							
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS	100,000			56,019	55,300,000		
MISCELLANEOUS				8,531,847			1,049
TOTAL RECEIPTS	100,000		647,607	8,587,866	55,921,985		1,049
DISBURSEMENTS							
PAYROLL							
PAYROLL TAXES							
TRADE PAYABLES - THIRD PARTIES							
TRADE PAYABLES - INTERCOMPANY							
ACCOUNT SECURITIZATION							
PAYMENTS AS SERVICER FOR GRPI							
DIP PRINCIPAL REPAYMENTS							
DIP INTEREST AND USAGE FEES							
TRANSFERS OUT - THIRD PARTIES	203,159						
TRANSFERS OUT - NONFILING ENTITIES							
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS			644,004		35,900,000		
MISCELLANEOUS			3,603	8,587,866			
TOTAL DISBURSEMENTS	203,159		647,607	8,587,866	35,900,000		-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	(103,159)				20,021,985		1,049
CASH - END OF MONTH	(48,379)		(0)	0	350,263,756		745,870

Note #1

Various payments are made by W. R. Grace & Co. - Conn on behalf of other debtor entities. Such activity may include salary of employees, legal and professional fees, and other expenditures, and is generally recorded via intercompany accounts. In addition, certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

W. R. Grace & Co. - Conn

Schedule of Cash Receipts and Disbursements

MOR-1

January 2005

	1/1 MOR-1 Cash Concentration 150012474	1/31 MOR-1 Cash Concentration 150012474	2/1 MOR-1 Non- Payroll 150016741	2/1 MOR-1 Payroll 150016741	2/1 Payroll 150016741	2/1 Payroll 150016741	2/1 Payroll 150016741
CASH BEGINNING OF MONTH	\$ 188,104	\$ 2,939,589	\$ -	\$ -	\$ (0)	\$ 0	\$ -
RECEIPTS							
ACCOUNTS RECEIVABLE - THIRD PARTIES		45,654,316					
ACCOUNTS RECEIVABLE - INTERCOMPANY							
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI							
DIP BORROWINGS							
TRANSFERS IN - THIRD PARTIES	17,992,764						
TRANSFERS IN - NONFILING ENTITIES	16,777,870						
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS	130,045,505		91,700,000	17,561,568	3,546		31,637
MISCELLANEOUS					1,205		
TOTAL RECEIPTS	164,816,139	45,654,316	91,700,000	17,561,568	4,752	-	31,637
DISBURSEMENTS							
PAYROLL				10,978,007			
PAYROLL TAXES				6,410,260			
TRADE PAYABLES - THIRD PARTIES	995,585						
TRADE PAYABLES - INTERCOMPANY							
ACCOUNT SECURITIZATION							
PAYMENTS AS SERVICER FOR GRPI							
DIP PRINCIPAL REPAYMENTS							
DIP INTEREST AND USAGE FEES	173,835						
TRANSFERS OUT - THIRD PARTIES	5,880,049				4,752		31,637
TRANSFERS OUT - NONFILING ENTITIES	10,256,442	23,211					
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS	147,440,566	46,803,047	90,027,854				
MISCELLANEOUS			1,672,146	173,301			
TOTAL DISBURSEMENTS	164,746,477	46,826,258	91,700,000	17,561,568	4,752	-	31,637
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	69,662	(1,171,942)	-	-	-	-	-
CASH - END OF MONTH	257,766	1,787,647	-	-	(0)	0	-

Note #1

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W. R. Grace & Co. - Conn

Schedule of Cash Receipts and Disbursements

MOR-1

January 2005

	Disbursements	Disposition	Waiverable	Refundable	Reimbursement	Rebills	Software	Expenses
ACCOUNTS PAYABLE	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
2079900057611	2079900057552	18660021351	2079900052603	2079900052513	1029963100000171309	100000171309	14002413601	
CASH BEGINNING OF MONTH	\$ (0)	\$ -	\$ 0	\$ 0	\$ 0	\$ 38,525	\$ 45,246	\$ 24,472
RECEIPTS								
ACCOUNTS RECEIVABLE - THIRD PARTIES			35,504,412					
ACCOUNTS RECEIVABLE - INTERCOMPANY			13,001,144					
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI								
DIP BORROWINGS								
TRANSFERS IN - THIRD PARTIES								
TRANSFERS IN - NONFILING ENTITIES								
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS	38,957,960			1,768,697	31,648,426			
MISCELLANEOUS		4,076,430						
TOTAL RECEIPTS	38,957,960	4,076,430	48,505,556	1,768,697	31,648,426	-	-	-
DISBURSEMENTS								
PAYROLL								
PAYROLL TAXES								
TRADE PAYABLES - THIRD PARTIES	37,870,568			1,466,646	31,645,815			
TRADE PAYABLES - INTERCOMPANY								
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI								
DIP PRINCIPAL REPAYMENTS								
DIP INTEREST AND USAGE FEES								
TRANSFERS OUT - THIRD PARTIES								
TRANSFERS OUT - NONFILING ENTITIES								
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS			46,698,455					
MISCELLANEOUS	(a) 1,087,392	4,076,430	1,807,101	302,051	2,611			
TOTAL DISBURSEMENTS	37,870,568	4,076,430	48,505,556	1,768,697	31,648,426	-	-	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	1,087,392	-	-	-	-	-	-	-
CASH - END OF MONTH	1,087,392	-	0	0	0	38,525	45,246	24,472

Note #1

Various payments are made by W. R. Grace & Co. - Conn on behalf of other debtor entities. Such activity may include salary of employees, legal and professional fees, and other expenditures, and is generally recorded via intercompany accounts. In addition, certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

(a) These disbursements include Libby Indictment, legal, and indemnification costs of \$1,056,805.04.

W. R. Grace & Co. - Conn

Schedule of Cash Receipts and Disbursements

MOR-1

January 2005

	Bank of America W. R. Grace & Co. DIP Disbursements (67392105)	Bank of America W. R. Grace & Co. DIP Payroll (\$000000022137)	Bank of America W. R. Grace & Co. DIP PAYROLL (\$62886572)	Bank of America W. R. Grace & Co. DIP PAYROLL (\$240000016900)	Bank of America W. R. Grace & Co. DIP PAYROLL (\$193111612405)	Bank of America W. R. Grace & Co. DIP PAYROLL (\$1911238972)	Bank of America W. R. Grace & Co. DIP PAYROLL (\$1015820)
CASH BEGINNING OF MONTH	\$ 10,000	\$ -	\$ 279,110	\$ 56,345	\$ 17,580	\$ 95,766	\$ -
RECEIPTS							
ACCOUNTS RECEIVABLE - THIRD PARTIES						14,417	414,706
ACCOUNTS RECEIVABLE - INTERCOMPANY							
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI							
DIP BORROWINGS							
TRANSFERS IN - THIRD PARTIES							
TRANSFERS IN - NONFILING ENTITIES							
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS							
MISCELLANEOUS							
TOTAL RECEIPTS						14,417	414,706
DISBURSEMENTS							
PAYROLL						8,334	
PAYROLL TAXES							
TRADE PAYABLES - THIRD PARTIES							
TRADE PAYABLES - INTERCOMPANY							
ACCOUNT SECURITIZATION							
PAYMENTS AS SERVICER FOR GRPI							
DIP PRINCIPAL REPAYMENTS							
DIP INTEREST AND USAGE FEES							
TRANSFERS OUT - THIRD PARTIES						13,312	
TRANSFERS OUT - NONFILING ENTITIES							
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS							
MISCELLANEOUS						8,453	14,718
TOTAL DISBURSEMENTS						30,098	14,718
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)						(15,681)	399,988
CASH - END OF MONTH	10,000	-	279,110	56,345	1,907	495,754	-

Note #1

Various payments are made by W. R. Grace & Co. - Conn on behalf of other debtor entities. Such activity may include salary of employees, legal and professional fees, and other expenditures, and is generally recorded via intercompany accounts. In addition, certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

W. R. Grace & Co. - Conn

Schedule of Cash Receipts and Disbursements

MOR-1

January 2005

	Bank of America Operating Accts 015410000	Bank of America Operating Accts 015412000	Net Cash Flows from Operations (in thousands)	Change in Cash Balances (in thousands)	Other (in thousands)	CURRENT MONTH ACTUAL (\$)	CURRENT MONTH PROJECTED (\$)
CASH BEGINNING OF MONTH	\$ 4,655	\$ 257,835	\$ 349	\$ 43,925	\$ 511,425	335,574,304	\$ -
RECEIPTS							
ACCOUNTS RECEIVABLE - THIRD PARTIES		129,077				81,716,928	
ACCOUNTS RECEIVABLE - INTERCOMPANY						13,001,144	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI						-	
DIP BORROWINGS						-	
TRANSFERS IN - THIRD PARTIES	80,288					19,342,644	
TRANSFERS IN - NONFILING ENTITIES						16,777,870	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS						367,173,359	
MISCELLANEOUS						12,610,532	
TOTAL RECEIPTS	80,288	129,077	-	-	-	510,622,476	-
DISBURSEMENTS							
PAYROLL		406				10,986,747	
PAYROLL TAXES		44,197				8,454,457	
TRADE PAYABLES - THIRD PARTIES						71,978,614	
TRADE PAYABLES - INTERCOMPANY						-	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI						-	
DIP PRINCIPAL REPAYMENTS						-	
DIP INTEREST AND USAGE FEES						173,835	
TRANSFERS OUT - THIRD PARTIES	27,818	60,000	349			6,241,076	
TRANSFERS OUT - NONFILING ENTITIES						10,279,653	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS						367,513,925	
MISCELLANEOUS	4,779	30,222			617,725	17,301,006	
TOTAL DISBURSEMENTS	77,200	110,222	349	-	617,725	490,929,313	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	3,088	18,855	(349)	-	(617,725)	19,693,163	-
CASH - END OF MONTH	7,743	276,689	0	43,925	(108,300)	355,267,457	\$ -

Note #1

Various payments are made by W. R. Grace & Co. - Conn on behalf of other debtor entities. Such activity may include salary of employees, legal and professional fees, and other expenditures, and is generally recorded via intercompany accounts. In addition, certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

W.R. Grace & Co.

Schedule of Cash Receipts and Disbursements

MOR-1

January 2005

	\$	(0)	PAST DUE CASH RECEIPTS	PAST DUE CASH DISBURSEMENTS	CURRENT MONTH ACTUALS	CURRENT MONTH PROJECTED
			PAST DUE CASH RECEIPTS	PAST DUE CASH DISBURSEMENTS		
CASH BEGINNING OF MONTH	\$	(0)				
RECEIPTS						
ACCOUNTS RECEIVABLE - THIRD PARTIES				-		
ACCOUNTS RECEIVABLE - INTERCOMPANY				-		
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI				-		
DIP BORROWINGS				-		
TRANSFERS IN - THIRD PARTIES				-		
TRANSFERS IN - NONFILING ENTITIES				-		
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS	340,566			340,566		
TOTAL RECEIPTS	340,566			340,566		-
DISBURSEMENTS						
PAYROLL				-		
PAYROLL TAXES				-		
TRADE PAYABLES - THIRD PARTIES				-		
TRADE PAYABLES - INTERCOMPANY				-		
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI				-		
DIP PRINCIPAL REPAYMENTS				-		
DIP INTEREST AND USAGE FEES				-		
TRANSFERS OUT - THIRD PARTIES				-		
TRANSFERS OUT - NONFILING ENTITIES				-		
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS	340,566			340,566		
MISCELLANEOUS				-		
TOTAL DISBURSEMENTS	340,566			340,566		-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)				-		-
CASH - END OF MONTH	\$	(0)	\$	(0)	\$	-

Remedium Group, Inc.

Schedule of Cash Receipts and Disbursements

MOR-1

January 2005

	DEposited in bank	DEposited in escrow	Disbursements	CURRENT MONTH ACTUAL	CURRENT MONTH PROJECTED
CASH BEGINNING OF MONTH			\$ (245,111)	\$ (6,149)	\$ (251,260)
RECEIPTS					
ACCOUNTS RECEIVABLE - THIRD PARTIES				-	
ACCOUNTS RECEIVABLE - INTERCOMPANY				-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI				-	
DIP BORROWINGS				-	
TRANSFERS IN - THIRD PARTIES			6,149	6,149	
TRANSFERS IN - NONFILING ENTITIES				-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS		340,566		340,566	
TOTAL RECEIPTS		340,566	6,149	346,714	
DISBURSEMENTS					
PAYROLL				-	
PAYROLL TAXES				-	
TRADE PAYABLES - THIRD PARTIES				-	
TRADE PAYABLES - INTERCOMPANY				-	
ACCOUNT SECURITIZATION				-	
PAYMENTS AS SERVICER FOR GRPI				-	
DIP PRINCIPAL REPAYMENTS				-	
DIP INTEREST AND USAGE FEES				-	
TRANSFERS OUT - THIRD PARTIES		126,920		126,920	
TRANSFERS OUT - NONFILING ENTITIES				-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS				-	
MISCELLANEOUS				-	
TOTAL DISBURSEMENTS		126,920	-	126,920	
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)		213,645	6,149	219,794	
CASH - END OF MONTH		(31,466)	-	(31,466)	

Darex Puerto Rico, Inc.

Schedule of Cash Receipts and Disbursements

MOR-1

January 2005

	CASH BEGINNING OF MONTH	CHANGES IN CASH DURING MONTH	CASH ENDING OF MONTH	CURRENT MONTH ACTUAL	CURRENT MONTH PROJECTED
CASH BEGINNING OF MONTH	\$ 4,754,029	\$ 1,500	\$ (51,673)	\$ 0	\$ 4,704,656
RECEIPTS					
ACCOUNTS RECEIVABLE - THIRD PARTIES	663,150				663,150
ACCOUNTS RECEIVABLE - INTERCOMPANY					-
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI					-
DIP BORROWINGS					-
TRANSFERS IN - THIRD PARTIES					-
TRANSFERS IN - NONFILING ENTITIES					-
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS	279,071				279,071
TOTAL RECEIPTS	942,222	-	-	942,222	-
DISBURSEMENTS	251,397	-	-	251,397	-
PAYROLL	5,467				5,467
PAYROLL TAXES	2,485				2,485
TRADE PAYABLES - THIRD PARTIES	246,373				246,373
TRADE PAYABLES - INTERCOMPANY					-
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI					-
DIP PRINCIPAL REPAYMENTS					-
DIP INTEREST AND USAGE FEES					-
TRANSFERS OUT - THIRD PARTIES					-
TRANSFERS OUT - NONFILING ENTITIES					-
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS	279,071				279,071
MISCELLANEOUS					-
TOTAL DISBURSEMENTS	533,397	-	-	533,397	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	408,825	-	-	408,825	-
CASH - END OF MONTH	5,163,654	1,500	(51,673)	0	5,113,481

CC Partners

Schedule of Cash Receipts and Disbursements

MOR-1

January 2005

	DEBIT CASH Deposits/Accounts #2195500031R02	CURRENT MONTH ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ -	\$ -	
RECEIPTS	No Activity		
ACCOUNTS RECEIVABLE - THIRD PARTIES		-	
ACCOUNTS RECEIVABLE - INTERCOMPANY		-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI		-	
DIP BORROWINGS		-	
TRANSFERS IN - THIRD PARTIES		-	
TRANSFERS IN - NONFILING ENTITIES		-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS		-	
TOTAL RECEIPTS		-	
DISBURSEMENTS			
PAYROLL		-	
PAYROLL TAXES		-	
TRADE PAYABLES - THIRD PARTIES		-	
TRADE PAYABLES - INTERCOMPANY		-	
ACCOUNT SECURITIZATION		-	
PAYMENTS AS SERVICER FOR GRPI		-	
DIP PRINCIPAL REPAYMENTS		-	
DIP INTEREST AND USAGE FEES		-	
TRANSFERS OUT - THIRD PARTIES		-	
TRANSFERS OUT - NONFILING ENTITIES		-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS		-	
MISCELLANEOUS		-	
TOTAL DISBURSEMENTS		-	
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)		-	
CASH - END OF MONTH	\$ -	\$ -	\$ -

Kootenai Development Company

Schedule of Cash Receipts and Disbursements

MOR-1

January 2005

	CASH FLOW PROJECTED Bank of Montana 10/09/04	CURRENT MONTH ACTUALS	PROJECTION
CASH BEGINNING OF MONTH	\$ 5,839	\$ 5,839	
RECEIPTS	No Activity		
ACCOUNTS RECEIVABLE - THIRD PARTIES		-	
ACCOUNTS RECEIVABLE - INTERCOMPANY		-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI		-	
DIP BORROWINGS		-	
TRANSFERS IN - THIRD PARTIES		-	
TRANSFERS IN - NONFILING ENTITIES		-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS		-	
TOTAL RECEIPTS	-	-	
DISBURSEMENTS			
PAYROLL		-	
PAYROLL TAXES		-	
TRADE PAYABLES - THIRD PARTIES		-	
TRADE PAYABLES - INTERCOMPANY		-	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI		-	
DIP PRINCIPAL REPAYMENTS		-	
DIP INTEREST AND USAGE FEES		-	
TRANSFERS OUT - THIRD PARTIES		-	
TRANSFERS OUT - NONFILING ENTITIES		-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS		-	
MISCELLANEOUS		-	
TOTAL DISBURSEMENTS	-	-	
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)		-	
CASH - END OF MONTH	\$ 5,839	\$ 5,839	\$ -

Grace Europe, Inc.

Schedule of Cash Receipts and Disbursements

MOR-1

January 2005

	Barclays Bank Projected Payables	CURRENT MONTH Actual	PROJECTED Future
CASH BEGINNING OF MONTH	\$ -	\$ -	\$ -
RECEIPTS			
ACCOUNTS RECEIVABLE - THIRD PARTIES		-	
ACCOUNTS RECEIVABLE - INTERCOMPANY		-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI		-	
DIP BORROWINGS		-	
TRANSFERS IN - THIRD PARTIES		-	
TRANSFERS IN - NONFILING ENTITIES		-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS		-	
TOTAL RECEIPTS		-	
DISBURSEMENTS			
PAYROLL		-	
PAYROLL TAXES		-	
TRADE PAYABLES - THIRD PARTIES		-	
TRADE PAYABLES - INTERCOMPANY		-	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI		-	
DIP PRINCIPAL REPAYMENTS		-	
DIP INTEREST AND USAGE FEES		-	
TRANSFERS OUT - THIRD PARTIES		-	
TRANSFERS OUT - NONFILING ENTITIES		-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS		-	
MISCELLANEOUS		-	
TOTAL DISBURSEMENTS		-	
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)		-	
CASH - END OF MONTH	\$ -	\$ -	\$ -

Gloucester New Communities Company, Inc.
 Schedule of Cash Receipts and Disbursements
 MOR-1
 January 2005

	\$ CASH	CURRENT MONTH	
		ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ 500	\$ 500	
RECEIPTS			
	No Activity		
ACCOUNTS RECEIVABLE - THIRD PARTIES		-	
ACCOUNTS RECEIVABLE - INTERCOMPANY		-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI		-	
DIP BORROWINGS		-	
TRANSFERS IN - THIRD PARTIES		-	
TRANSFERS IN - NONFILING ENTITIES		-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS		-	
TOTAL RECEIPTS		-	-
DISBURSEMENTS			
PAYROLL		-	
PAYROLL TAXES		-	
TRADE PAYABLES - THIRD PARTIES		-	
TRADE PAYABLES - INTERCOMPANY		-	
ACCOUNT SECURITIZATION		-	
PAYMENTS AS SERVICER FOR GRPI		-	
DIP PRINCIPAL REPAYMENTS		-	
DIP INTEREST AND USAGE FEES		-	
TRANSFERS OUT - THIRD PARTIES		-	
TRANSFERS OUT - NONFILING ENTITIES		-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS		-	
MISCELLANEOUS		-	
TOTAL DISBURSEMENTS		-	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)		-	-
CASH - END OF MONTH	\$ 500	\$ 500	\$ -

Dewey & Almy, LLC

Schedule of Cash Receipts and Disbursements

MOR-1

January 2005

	AMOUNT BALANCED	CASH FLOW STATEMENT	
		CURRENT MONTH	ACTUAL VS. PROJECTION
CASH BEGINNING OF MONTH	\$ -	\$ -	\$ -
RECEIPTS:	No Activity	-	-
ACCOUNTS RECEIVABLE - THIRD PARTIES		-	-
ACCOUNTS RECEIVABLE - INTERCOMPANY		-	-
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI		-	-
DIP BORROWINGS		-	-
TRANSFERS IN - THIRD PARTIES		-	-
TRANSFERS IN - NONFILING ENTITIES		-	-
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS		-	-
TOTAL RECEIPTS		-	-
DISBURSEMENTS:		-	-
PAYROLL		-	-
PAYROLL TAXES		-	-
TRADE PAYABLES - THIRD PARTIES		-	-
TRADE PAYABLES - INTERCOMPANY		-	-
ACCOUNT SECURITIZATION		-	-
PAYMENTS AS SERVICER FOR GRPI		-	-
DIP PRINCIPAL REPAYMENTS		-	-
DIP INTEREST AND USAGE FEES		-	-
TRANSFERS OUT - THIRD PARTIES		-	-
TRANSFERS OUT - NONFILING ENTITIES		-	-
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS		-	-
MISCELLANEOUS		-	-
TOTAL DISBURSEMENTS		-	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)		-	-
CASH - END OF MONTH	\$ -	\$ -	\$ -

W. R. Grace & Co. - Conn
Bank Reconciliations
December 2004
MOR-1

	Check Date	Amount	Check Date	Amount	Check Date	Amount	Check Date	Amount	Check Date	Amount
Balance per books		\$ 54,780		\$ -		\$ -		\$ -		\$ 330,261,771
Bank Balance		\$ 54,780		\$ -		\$ 10,345		\$ -		\$ 330,261,771
(+) Deposits in transit										
(-) Outstanding checks										
Other		(0)				(10,345)				
Adjusted bank balance		\$ 54,780		\$ -		\$ -		\$ -		\$ 330,261,771
Deposits in transit										
Outstanding Checks										
Other										
Transfers between bank accounts										
Accounting error										
Interest not recorded on books										
Bank fees not recorded on books										
Payroll tax payments not recorded										
Unreconciled bank activity										
Unreconciled ledger activity										
Reclass negative cash balance										
Returned item adjustment										
Payroll/other activity in transit										
Petty cash funds										
Reporting reclass										
Unrecorded deposit										

W. R. Grace & Co. - Conn
Bank Reconciliations
December 2004
MOR-1

	Morgan Chase 1000022317	Morgan Chase Concentration 160012576	Wells Fargo 1000023217	Wells Fargo 1000023217	Wells Fargo 207540016242
Balance per books	\$ 744,821	\$ 188,104	\$ 2,939,589	\$ -	\$ -
Bank Balance (+) Deposits in transit (-) Outstanding checks Other	\$ -	\$ 188,104	\$ 2,939,589	\$ 1,541,372	\$ - (397,146) 397,146
Adjusted bank balance	\$ 744,821	\$ 188,104	\$ 2,939,589	\$ -	\$ -
Deposits in transit					
Outstanding Checks					Detail Available
Other					
Transfers between bank accounts					
Accounting error					
Interest not recorded on books					
Bank fees not recorded on books					
Payroll tax payments not recorded					
Unreconciled bank activity					
Unreconciled ledger activity					
Reclass negative cash balance					
Returned item adjustment					
Payroll/other activity in transit					
Petty cash funds					
Reporting reclass					
Unrecorded deposit					(124,716)

W. R. Grace & Co. - Conn
Bank Reconciliations
December 2004
MOR-1

	Date	Amount								
Balance per books		\$ -		\$ -		\$ -		\$ -		\$ -
Bank Balance										
(+) Deposits In transit										
(-) Outstanding checks										
Other										
Adjusted bank balance		\$ -		\$ -		\$ -		\$ -		\$ -
Deposits in transit	Date	Amount								
Outstanding Checks	Date	Amount								
Others										
Transfers between bank accounts										
Accounting error										
Interest not recorded on books										
Bank fees not recorded on books										
Payroll tax payments not recorded										
Unreconciled bank activity										
Unreconciled ledger activity										
Reclass negative cash balance										
Returned item adjustment										
Payroll/other activity in transit										
Petty cash funds										
Reporting reclass										
Unrecorded deposit										

W. R. Grace & Co. - Conn
Bank Reconciliations
December 2004
MOR-1

Balance per books		\$ -		\$ -		\$ 38,525	
Bank Balance		\$ 432,914		\$ -		\$ 47,039	
(+) Deposits In transit							
(-) Outstanding checks							
Other		(432,914)		(764,987)		(4,648)	
Adjusted bank balance		\$ -		\$ -		\$ 38,525	
Deposits in transit		Date		Amount		Date	
Outstanding Checks		Date		Amount		Date	

W. R. Grace & Co. - Conn
Bank Reconciliations
December 2004
MOR-1

	Deposits	Deposits In transit	Payroll	Payroll	Other	Other
	025 (35)	1033120	20000000221	162985725	2040000016900	
Balance per books	\$ 24,472	\$ 10,000	\$ -	\$ 279,110	\$ 56,345	
Bank Balance	\$ 24,472	\$ 10,000	\$ -	\$ 287,588	\$ 39,884	
(+) Deposits In transit					(9,301)	
(-) Outstanding checks					823	
Other						16,461
Adjusted bank balance	\$ 24,472	\$ 10,000	\$ -	\$ 279,110	\$ 56,345	
Deposits In transit						
Outstanding Checks					Detail Available	
Transfers between bank accounts						
Accounting error						
Interest not recorded on books						
Bank fees not recorded on books						
Payroll tax payments not recorded						
Unreconciled bank activity						
Unreconciled ledger activity						
Reclass negative cash balance						
Returned item adjustment						
Payroll/other activity in transit						
Petty cash funds					823	
Reporting reclass						461
Unrecorded deposit						16,000

W. R. Grace & Co. - Conn
Bank Reconciliations
December 2004
MOR-1

	Opening Balance 0154315124100	Credit Debit	Opening Balance 0131259531720	Debit Credit	Opening Balance 0154315124100	Credit Debit	Opening Balance 0154315124100
Balance per books	(Sales) 57,580	\$ 95,766		\$ -	(Sales) 15,239	\$ 257,835	
Bank Balance		57,580	\$ 95,766	\$ -		15,239	\$ 257,835
(+) Deposits in transit							
(-) Outstanding checks							
Other							
Adjusted bank balance	57,580	\$ 95,766		\$ -	15,239	\$ 257,835	
Deposits in transit							
Outstanding checks							
Other							
Transfers between bank accounts							
Accounting error							
Interest not recorded on books							
Bank fees not recorded on books							
Payroll tax payments not recorded							
Unreconciled bank activity							
Unreconciled ledger activity							
Reclass negative cash balance							
Returned item adjustment							
Payroll/other activity in transit							
Petty cash funds							
Reporting reclass							
Unrecorded deposit							

W. R. Grace & Co. Bank Reconciliations December 2004 MOR-1	
Balance per books	\$ -
Bank Balance	\$ -
(+) Deposits in transit	\$ -
(-) Outstanding checks	\$ -
Other	\$ -
Adjusted bank balance	\$ -
Deposits in transit	Date: 12/31/04 Amount: \$ -
Outstanding Checks	Date: 12/31/04 Amount: \$ -
Other	
Transfers between bank accounts	
Accounting error	
Interest not recorded on books	
Bank fees not recorded on books	
Payroll tax payments not recorded	
Unreconciled bank activity	
Unreconciled ledger activity	
Returned item adjustment	
Payroll activity in transit	
Petty cash funds	

Chart 2

Chart 2

Darex Puerto Rico, Inc. Bank Reconciliations December 2004 MOR-1		
		CHART OF ACCOUNTS Operating Accounts 100015301
Balance per books		\$ 4,754,829
Bank Balance		\$ 4,871,311
(+) Deposits in transit		171,743
(-) Outstanding checks		(289,049)
Other		824
Adjusted bank balance		\$ 4,754,829
Deposits in transit		
29-Dec-04		7,655
30-Dec-04		164,312
31-Dec-04		(225)
Outstanding checks		
15461		(27)
15904		(726)
16971		(920)
17225		(6,111)
17278		(52)
17283		(13)
17288		(128,882)
17347		(972)
17356		(1,936)
17358		(65)
17361		(254)
17362		(8,280)
17363		(105)
17364		(980)
17365		(114)
17366		(208)
17369		(65,741)
17371		(8,111)
17372		(22,702)
17373		(19,355)
17374		(972)
17376		(445)
17377		(101)
17378		(126)
17379		(1,531)
17380		(640)
17381		(300)
17382		(13,048)
17383		(68)
17384		(98)
17385		(49)
17386		(235)
17387		(50)
17388		(1,095)
17389		(1,500)
17390		(50)
Various		(3,176)
Other		
Transfers between bank accounts		
Accounting error		
Interest not recorded on books		
Bank fees not recorded on books		
Payroll tax payments not recorded		
Unreconciled bank activity		
Unreconciled ledger activity		
Returned item adjustment		
Payroll activity in transit		
Petty cash funds		
		824

Grace Europe, Inc. Bank Reconciliations December 2004 MOR-1	
Balance per books	\$ -
Bank Balance	\$ -
(+) Deposits in transit	\$ -
(-) Outstanding checks	\$ -
Other	\$ -
Adjusted bank balance	\$ -
Deposits in transit	Date Description
Outstanding Checks	Date Description
Transfers between bank accounts	
Accounting error	
Interest not recorded on books	
Bank fees not recorded on books	
Payroll tax payments not recorded	
Unreconciled bank activity	
Unreconciled ledger activity	
Returned item adjustment	
Payroll activity in transit	
Petty cash funds	

Kootenai Development Company Bank Reconciliations December 2004 MOR-1		
		First National Bank of Montana P.O. Box 1000 100 Main Street Livingston, MT 59047-1000
Balance per books	\$	5,839
Bank Balance	\$	5,839
(+) Deposits in transit		
(-) Outstanding checks		
Other		
Adjusted bank balance	\$	5,839
Deposits in transit		
Outstanding checks		
Other		
Transfers between bank accounts		
Accounting error		
Interest not recorded on books		
Bank fees not recorded on books		
Payroll tax payments not recorded		
Unreconciled bank activity		
Unreconciled ledger activity		
Returned item adjustment		
Payroll activity in transit		
Petty cash funds		

W.R. Grace & Co. - Chapter 11 Filing Entities

Combining Statement of Operations

MOR - 2

Month Ended January 31, 2005

	W.R. Grace & Co.- Conn.	W.R. Grace & Co.- NY	W.R. Grace & Co.- International	W.R. Grace & Co.- Germany	W.R. Grace & Co.- France	W.R. Grace & Co.- Italy	W.R. Grace & Co.- United Kingdom	W.R. Grace & Co.- Canada	W.R. Grace & Co.- Mexico	W.R. Grace & Co.- Japan	W.R. Grace & Co.- Other
Net sales to third parties	\$ 73,687,405	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	23,404,605	-	-	-	-	-	-	-	-	-	-
Net sales to filing entities	255,065	-	-	-	-	-	-	-	-	-	-
Interest and royalties from non-filing entities, net	601,235	-	-	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	(6,610,790)	4,123,810	730,224	19,173	845,233	-	-	2,602,915	-	-	-
	91,337,520	4,123,810	730,224	19,173	845,233	-	2,602,915	-	-	-	-
Cost of goods sold to third parties	50,034,115	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to non-filing entities	19,161,222	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	268,955	-	-	-	-	-	-	-	-	-	-
Selling, general and administrative expenses	26,406,991	-	6,010	-	-	227,510	-	-	2,676	-	-
Research and development expenses	3,056,958	-	-	-	-	-	-	-	-	-	-
Depreciation and amortization	4,645,047	-	2,323	-	-	-	-	-	-	-	-
Interest expense	4,272,800	-	-	-	-	-	-	-	-	-	-
Other (income) expense	(401,155)	-	-	-	-	-	-	-	-	-	-
	107,444,933	-	8,333	-	-	227,510	-	-	2,676	-	-
(Loss) income before Chapter 11 reorganization expenses, income taxes, minority interest and equity in net income of non-filing entities	(16,107,413)	4,123,810	721,891	19,173	845,233	(227,510)	2,602,915	(2,676)	-	-	-
Chapter 11 reorganization expenses, net	(1,976,965)	-	-	-	-	-	-	-	-	-	-
(Provision for) benefit from income taxes	2,044,568	(1,443,334)	(252,756)	(6,711)	(295,832)	93	(911,020)	937	-	-	-
Minority interest in income of subsidiary	-	-	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-	-	-
Net income (loss)	\$ (16,039,810)	\$ 2,680,476	\$ 469,135	\$ 12,462	\$ 549,401	\$ (227,417)	\$ 1,691,895	\$ (1,739)	\$ -	\$ -	\$ -

Note #2

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

W.R. Grace & Co. - Chapter 11 Filing Entities

Combining Statement of Operations

MOR - 2

Month Ended January 31, 2005

	W.R. Grace & Co. International Holdings Inc.	Darex S.A. Rico, Inc.	AleMid Land Corporation	Alcimex Division - U.S.	Alvarez Division - U.S.	Chemical Division - U.S.	Gulfport Division - U.S.	MRA Products Corporation	MFA Information Corporation	MFA Shipping Systems Inc.	Kolamex Development Company
Net sales to third parties	\$ -	\$ 417,148	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	-	-	-	-	-	-	-	-	-	-	-
Net sales to filing entities	1,450,270	788,768	-	-	-	-	-	-	-	-	-
Interest and royalties from non-filing entities, net	(1,710,564)	-	-	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	(260,294)	1,205,916	-	-	-	-	-	-	-	-	-
Cost of goods sold to third parties	-	247,866	24,082	-	-	-	-	-	-	-	-
Cost of goods sold to non-filing entities	-	801,694	-	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	-	82,203	55,002	-	-	-	-	-	-	-	-
Selling, general and administrative expenses	-	83,346	-	-	-	-	-	-	-	-	-
Research and development expenses	-	-	-	-	-	-	-	-	-	-	-
Depreciation and amortization	-	-	-	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-	-	-
Other (income) expense	62,391	-	-	-	-	-	-	-	-	-	-
	62,391	1,215,110	79,084	-	-	-	-	-	-	-	-
(Loss) income before Chapter 11 reorganization expenses, income taxes, minority interest and equity in net income of non-filing entities	(322,685)	(9,194)	(79,084)	-	-	-	-	-	-	-	-
Chapter 11 reorganization expenses, net	27,195	(23,324)	27,679	-	-	-	-	-	-	-	-
(Provision for) benefit from income taxes	-	-	-	-	-	-	-	-	-	-	-
Minority interest in income of subsidiary	-	-	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-	-	-
Net income (loss)	\$ (295,490)	\$ (32,518)	\$ (51,405)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Note #2

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

W.R. Grace & Co. - Chapter 11 Filing Entities

Combining Statement of Operations

MOR - 2

Month Ended January 31, 2005

Note #2

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. B. Grace & Co. - Conn.

W.R. Grace & Co. - Chapter 11 Filing Entities

Combining Statement of Operations

MOR - 2

Month Ended January 31, 2005

	Modular Hilman Incorporated	Grace Cuney Systems Inc.	Grace Energy Services Corp.	Grace Steel Inc.	Grace Corporation	Grace Innovations Corporation	Grace Equity Corporation	W.R. Grace Lithium Corporation	Grace Management Resources	WaterStreet Corporation
Net sales to third parties	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	-	-	-	-	-	-	-	-	-	-
Net sales to filing entities	-	-	-	-	-	-	-	-	-	-
Interest and royalties from non-filing entities, net	-	-	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to third parties	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to non-filing entities	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	-	-	-	-	-	-	-	-	-	-
Selling, general and administrative expenses	-	-	-	-	-	-	-	-	-	-
Research and development expenses	-	-	-	-	-	-	-	-	-	-
Depreciation and amortization	-	-	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-	-
Other (income) expense	-	-	-	-	-	-	-	-	-	-
(Loss) income before Chapter 11 reorganization expenses, income taxes, minority interest and equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-	-
Chapter 11 reorganization expenses, net	-	-	-	-	-	-	-	-	-	-
(Provision for) benefit from income taxes	-	-	-	-	-	-	-	-	-	-
Minority interest in income of subsidiary	-	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-	-
Net Income (loss)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Note #2

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

W.R. Grace & Co. - Chapter 11 Filing Entities

Combining Statement of Operations

MOR - 2

Month Ended January 31, 2005

	W.R. Grace Filing Entities	W.R. Grace Non-filing Companies	Grace New England Companies	Grace New England Non-filing Companies	Grace Global Corporations									
Net sales to third parties	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net sales to filing entities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest and royalties from non-filing entities, net	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to third parties	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to non-filing entities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Selling, general and administrative expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Research and development expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation and amortization	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other (income) expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(Loss) income before Chapter 11 reorganization expenses, income taxes, minority interest and equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Chapter 11 reorganization expenses, net	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(Provision for) benefit from income taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Minority interest in income of subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Income (loss)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Note #2

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

W.R. Grace & Co. - Chapter 11 Filing Entities

Combining Statement of Operations

MOR - 2

Month Ended January 31, 2005

	Management Corporation	Grace Outline Company	Grace Outline Operating Company	Grace Outline Manufacturing Company	Grace Outline Marketing Company	Grace Outline Research Company	Grace Outline Sales Company	Grace Outline Services Company	Grace Outline Transportation Company	Grace Outline Wholesaler Company	Grace Outline Incorporated
Net sales to third parties	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	-	-	-	-	-	-	-	-	-	-	-
Net sales to filing entities	-	-	-	-	-	-	-	-	-	-	-
Interest and royalties from non-filing entities, net	-	-	-	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	-	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to third parties	-	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to non-filing entities	-	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	-	-	-	-	-	-	-	-	-	-	-
Selling, general and administrative expenses	-	-	-	-	-	-	-	-	-	-	-
Research and development expenses	-	-	-	-	-	-	-	-	-	-	-
Depreciation and amortization	-	-	-	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-	-	-
Other (income) expense	-	-	-	-	-	-	-	-	-	-	-
(Loss) income before Chapter 11 reorganization expenses, income taxes, minority interest and equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-	-	-
Chapter 11 reorganization expenses, net	-	-	-	-	-	-	-	-	-	-	-
(Provision for) benefit from Income taxes	-	-	-	-	-	-	-	-	-	-	-
Minority interest in income of subsidiary	-	-	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-	-	-
Net income (loss)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Note #2

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

**W.R. Grace & Co. - Chapter 11 Filing Entities
Combining Statement of Operations
MOR - 2
Month Ended January 31, 2005**

	W.R. Grace & Co. - Chapter 11 Filing Entities (Company)	Havemeyer Coal & West Coast (Company)	W.R. Grace & Co. (Company)	Eliminations Between Entities	Conversions to Equity Method	W.R. Grace & Co. - Chapter 11 Filing Entities (Company)
Net sales to third parties	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 74,104,553
Net sales to non-filing entities	-	-	-	-	-	23,404,605
Net sales to filing entities	-	-	-	(1,043,833)	-	-
Interest and royalties from non-filing entities, net	-	-	-	-	-	2,051,505
Interest and royalties from filing entities, net	-	-	-	-	-	-
	-	-	-	(1,043,833)	-	99,560,663
Cost of goods sold to third parties	-	-	-	-	-	50,306,064
Cost of goods sold to non-filing entities	-	-	-	-	-	19,161,222
Cost of goods sold to filing entities	-	-	-	(1,070,649)	-	-
Selling, general and administrative expenses	-	-	-	-	-	26,780,393
Research and development expenses	-	-	-	-	-	3,056,958
Depreciation and amortization	-	-	-	-	-	4,730,716
Interest expense	-	-	-	-	-	4,272,800
Other (income) expense	-	-	-	-	-	(338,764)
	-	-	-	(1,070,649)	-	107,969,387
(Loss) income before Chapter 11 reorganization expenses, income taxes, minority interest and equity in net income of non-filing entities	-	-	-	26,816	-	(8,408,724)
Chapter 11 reorganization expenses, net	-	-	-	-	-	(1,976,965)
(Provision for) benefit from income taxes	-	-	-	-	-	(832,505)
Minority interest in income of subsidiary	-	-	-	-	12,599,628	12,599,628
Equity in net income of non-filing entities	-	-	-	-	-	-
Net income (loss)	\$ -	\$ -	\$ -	\$ 26,816	\$ 12,599,628	\$ 1,381,434

Note #2

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

W.R. Grace & Co. - Chapter 11 Filing Entities

Combining Balance Sheet

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January 31, 2005

	W.R. Grace & Co.- Conn	W.R. Grace & Co.	Reinsurance Group of America, Inc.	CS First Data	W.R. Grace & Co. - International	Grace Washington Corporation
ASSETS						
Current Assets						
Cash and cash equivalents	\$ 354,180,075	\$ -	\$ (31,466)	\$ -	\$ -	\$ -
Accounts and other receivables, net	112,154,391	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	323,719,572	(415,558,735)	(12,793,602)	12,881,887	(37,796,692)	(10,224,465)
Inventories	77,131,499	-	-	-	-	-
Deferred income taxes	22,397,540	-	10,218,797	-	-	-
Other current assets	22,179,464	-	-	-	-	-
Total Current Assets	911,762,540	(415,558,735)	(2,606,271)	12,881,887	(37,796,692)	(10,224,465)
Properties and equipment, net	355,276,917	-	427,512	-	-	-
Goodwill	14,499,090	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	80,199,315	-	-	-	-	-
Deferred income taxes	1,004,047,741	-	29,268,534	-	-	-
Asbestos-related insurance receivable	500,000,000	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	(1,405,396,853)	903,047,490	132,310,994	5,070,767	219,351,378	-
Investment in filing and non-filing entities	819,297,939	241,512,111	-	-	-	-
Other assets	72,804,389	-	-	-	-	-
Total Assets	\$2,352,491,079	\$57,291,000,866	\$159,400,768	\$5,179,521,654	\$108,1554,686	\$10,224,465
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)						
Liabilities Not Subject to Compromise						
Current Liabilities						
Debt payable within one year	\$ 0	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	56,281,870	-	7,066	-	-	-
Income taxes payable	421,201	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	164,956,968	-	249,473	-	-	1,781
Total Current Liabilities	221,660,038	-	256,539	-	-	1,781
Debt payable after one year	-	-	-	-	-	-
Deferred income taxes	311,392,185	-	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	349,158,800	-	-	-	-	-
Total Liabilities Not Subject to Compromise	882,211,023	-	256,539	-	-	1,781
Liabilities Subject to Compromise						
Debt, pre-petition plus accrued interest	648,941,133	-	-	-	-	-
Accounts payable	30,522,800	-	665,607	-	-	-
Income taxes payable	109,955,215	35,543,397	(924,073)	158,095	7,391,652	(13,244)
Asbestos-related liability	1,700,000,000	-	-	-	-	-
Other liabilities	504,634,761	-	112,576,324	-	32,039,680	-
Total Liabilities Subject to Compromise	2,994,053,909	35,543,397	112,317,858	158,095	39,431,332	(13,244)
Total Liabilities	3,876,264,933	35,543,397	112,574,397	158,095	39,431,332	(11,463)
Shareholders' Equity (Deficit)						
Preferred Stock	-	-	-	-	-	-
Common Stock	83,968,960	778,178	12,223	1,000	-	1,000
Paid in capital	142,809,878	422,633,291	9,724,449	34,052,467	56,011,577	-
(Accumulated deficit)/Retained earnings	(1,343,910,254)	395,502,716	37,089,699	(16,258,908)	86,111,777	(10,214,002)
Treasury stock, at cost	-	(125,456,816)	-	-	-	-
Accumulated other comprehensive loss	(406,642,437)	100	-	-	-	-
Total Shareholders' Equity (Deficit)	(1,523,773,854)	693,457,469	46,826,371	17,794,559	142,123,354	(10,213,002)
Total Liabilities and Shareholders' Equity (Deficit)	\$2,352,491,079	\$57,291,000,866	\$159,400,768	\$5,179,521,654	\$108,1554,686	\$10,224,465

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W.R. Grace & Co. - Chapter 11 Filing Entities

Combining Balance Sheet

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January 31, 2005

	Liquidity Management	Grace Financial	Grace Health	Grace International Holdings	Grace Puerto Rico	Grace Chemicals Corporation
ASSETS						
Current Assets						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ 5,113,481	\$ -
Accounts and other receivables, net		95,242			1,865,651	
Receivables from/(payables to) filing and non-filing entities, net	(386,938,610)	5,724,387	140,524,854	(74,796,835)	(2,084,188)	(4,381,139)
Inventories	-	(0)	-	-	237,118	-
Deferred income taxes	-	89,758	-	-	3,402	-
Other current assets	-	-	-	-	691,631	-
Total Current Assets	(386,938,610)	5,909,387	140,524,854	(74,796,835)	5,827,094	(4,381,139)
Properties and equipment, net	-	-	-	-	635,447	-
Goodwill	-	-	-	-	4,377,631	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	500,176,391	(3,283,335)	-	49,265,682	(689,195)	-
Investment in filing and non-filing entities	-	-	-	58,669,464	-	-
Other assets	-	54,000	-	-	9,593,040	-
Total Assets	\$ 113,232,781	\$ 2,690,053	\$ 140,524,854	\$ 33,138,312	\$ 19,744,017	\$ (4,381,139)
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)						
Liabilities Not Subject to Compromise						
Current Liabilities						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	25,604	-	-	902,188	-
Income taxes payable	-	-	-	-	75,561	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	356,044	-	-	97,719	-
Total Current Liabilities	-	381,648	-	-	1,075,468	-
Debt payable after one year	-	-	-	-	-	-
Deferred income taxes	-	0	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	24,557,945	-	-
Total Liabilities Not Subject to Compromise	-	381,648	-	24,557,945	1,075,468	-
Liabilities Subject to Compromise						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	-	22,774,994	(967,620)	(150)	(6,481,187)	133,907
Income taxes payable	-	-	-	-	-	2,091,348
Asbestos-related liability	-	-	-	-	-	(127,025)
Other liabilities	-	256,452	-	-	-	-
Total Liabilities Subject to Compromise	22,774,994	(711,168)	(150)	(6,481,187)	2,225,255	(127,025)
Total Liabilities	22,774,994	(329,519)	(150)	18,076,758	3,300,724	(127,025)
Shareholders' Equity (Deficit)						
Preferred Stock	112	-	-	-	-	-
Common Stock	1,000	1,000	-	-	1,000	200
Paid in capital	(29,267,410)	-	25,358,993	61,845,489	13,074,177	274,606
(Accumulated deficit)/Retained earnings	119,729,085	(487,924)	115,166,011	(91,028,907)	3,368,116	(4,528,920)
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive loss	-	3,496,496	-	44,243,972	-	-
Total Shareholders' Equity (Deficit)	90,462,787	3,009,572	140,525,004	15,061,553	16,443,293	(4,254,114)
Total Liabilities and Shareholders' Equity (Deficit)	\$ 113,232,781	\$ 2,690,053	\$ 140,524,854	\$ 33,138,312	\$ 19,744,017	\$ (4,381,139)

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W.R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W.R. Grace & Co. - Chapter 11 Filing Entities

Combining Balance Sheet

MOR - 3

January 31, 2005

	AMERICAN EXPRESS CORPORATION	EVGA INCORPORATED IN THE STATE OF CALIFORNIA	GCN Holdings, Inc.	IMI Holdings Corporation	W-Administrators Corporation	WMAAS HOLDING SYSTEMS, INC.
ASSETS						
Current Assets						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts and other receivables, net						
Receivables from/(payables to) filing and non-filing entities, net	(2,143,580)	-	(57,817,172)	(110)	(330)	(19,771)
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
Total Current Assets	(2,143,580)	-	(57,817,172)	(110)	(330)	(19,771)
Properties and equipment, net	-	-	-	-	-	-
Goodwill	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	-	-	34,053,467	54,500,000	54,500,000	56,011,577
Other assets	-	-	-	-	-	-
TOTAL ASSETS	(2,143,580)	(23,763,706)	54,499,890	54,499,670	54,499,670	55,997,806
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)						
Liabilities Not Subject to Compromise						
Current Liabilities						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-
Total Current Liabilities	-	-	-	-	-	-
Debt payable after one year	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Not Subject to Compromise	-	-	-	-	-	-
Liabilities Subject to Compromise						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Income taxes payable	(210)	-	-	(110)	(330)	(5,251)
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Subject to Compromise	(210)	-	-	(110)	(330)	(5,251)
Total Liabilities	(210)	-	-	(110)	(330)	(5,251)
Shareholders' Equity (Deficit)						
Preferred Stock	-	-	-	-	-	-
Common Stock	-	-	931,540	1	130	130
Paid in capital	-	-	9,408,460	54,499,999	54,499,870	54,499,870
(Accumulated deficit)/Retained earnings	(2,143,370)	-	(34,103,706)	-	-	1,497,057
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive loss	-	-	-	-	-	-
Total Shareholders' Equity (Deficit)	(2,143,370)	(23,763,706)	54,500,000	54,500,000	55,997,057	
Total Liabilities and Shareholders' Equity (Deficit)	(2,143,580)	(23,763,706)	54,499,890	54,499,670	54,499,670	55,997,806

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W.R. Grace & Co. - Chapter 11 Filing Entities

Combining Balance Sheet

MOR - 3

January 31, 2005

	W.R. Grace & Co. Development Company	GBI Chemicals Inc.	American Cyanamid Company	Grace Environmental Inc.	Grace Chemical Company of Conn.	Southwestern Refining Company
ASSETS						
Current Assets						
Cash and cash equivalents	\$ 5,839	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts and other receivables, net						
Receivables from/(payables to) filing and non-filing entities, net	(10,483)	(26,614,022)	57,347,191	(7,283,826)		
Inventories	-	-	-	-	-	-
Deferred income taxes						
Other current assets						
Total Current Assets	6,908	2,265	(26,614,022)	57,347,191	(7,283,826)	-
Properties and equipment, net						
Goodwill	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	-	-	-	-	-	-
Other assets						
Total Assets	1,630,940	1,633,205	(26,614,022)	57,347,191	(7,283,826)	-
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)						
Liabilities Not Subject to Compromise						
Current Liabilities						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities						
Total Current Liabilities	551,649	5,000	-	-	-	-
Debt payable after one year						
Deferred income taxes	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities						
Total Liabilities Not Subject to Compromise	551,649	5,000	-	-	-	-
Liabilities Subject to Compromise						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable						
Income taxes payable	(8,122)	(195)	10,346,794	(230)		
Asbestos-related liability	-	-	-	-	-	-
Other liabilities						
Total Liabilities Subject to Compromise	(8,122)	(195)	10,346,794	(230)	-	-
Total Liabilities	543,527	4,805	10,346,794	(230)	-	-
Shareholders' Equity (Deficit)						
Preferred Stock	-	-	-	-	-	-
Common Stock						
Paid in capital						
(Accumulated deficit)/Retained earnings	1,104,954	859,233	3,671,658	5,150		
Treasury stock, at cost	(15,276)	(27,478,060)	43,427,950	(12,433,596)		
Accumulated other comprehensive loss			(99,212)	-	-	-
Total Shareholders' Equity (Deficit)	1,089,678	(26,618,827)	47,000,396	(7,283,596)	-	-
Total Liabilities and Shareholders' Equity (Deficit)	1,633,205	(26,614,022)	57,347,191	(7,283,826)	-	-

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W.R. Grace & Co. - Chapter 11 Filing Entities

Combining Balance Sheet

MOR - 3

January 31, 2005

	Globe Atlantic Land Development Corporation	Dowey & Lemke LLC	Grace Industries Holdings	Grace Farmland Investors Corp.	Grace United Partners LLC	Mother Enterprises Holdings LLC
ASSETS						
Current Assets						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts and other receivables, net						
Receivables from/(payables to) filing and non-filing entities, net	5,824,284	(102,989)	(1,119,103)	10,284,124	330	(2,417,714)
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
Total Current Assets	5,824,284	(102,989)	(1,119,103)	10,284,124	330	(2,417,714)
Properties and equipment, net						
Goodwill	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred Income taxes	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	-	94,022	-	-	-	-
Other assets	-	-	-	-	-	-
Total Assets	\$ 5,824,284	\$ (8,966)	\$ (1,119,103)	\$ 10,284,124	\$ 330	\$ (2,417,714)
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)						
Liabilities Not Subject to Compromise						
Current Liabilities						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	-	-	3	-	-
Total Current Liabilities	-	-	-	3	-	-
Debt payable after one year	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Not Subject to Compromise	-	-	-	3	-	-
Liabilities Subject to Compromise						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	(110)	-	(110)	(560)	(560)	(450)
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Subject to Compromise	(110)	-	(110)	(560)	(560)	(450)
Total Liabilities	(110)	-	(110)	(557)	(560)	(450)
Shareholders' Equity (Deficit)						
Preferred Stock						
Common Stock	1,000	2,000	29,000	1,000	1,000	26,000
Paid in capital	5,823,446	-	-	3,136,087	-	9,988,414
(Accumulated deficit)/Retained earnings	(52)	(10,966)	(1,147,993)	7,147,595	(110)	(12,431,678)
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive loss	-	-	-	-	-	-
Total Shareholders' Equity (Deficit)	5,824,394	(8,966)	(1,118,993)	10,284,682	890	(2,417,264)
Total Liabilities and Shareholders' Equity (Deficit)	\$ 5,824,284	\$ (8,966)	\$ (1,119,103)	\$ 10,284,124	\$ 330	\$ (2,417,714)

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W.R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W.R. Grace & Co. - Chapter 11 Filing Entities

Combining Balance Sheet

MOR - 3

January 31, 2005

	Grace Chemical Systems, Inc.	Grace Oil Products, Inc.	Minerals Technology	Grace PLC	W.R. Grace Corporation	W.R. Grace Holdings
ASSETS						
Current Assets						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts and other receivables, net	(26,312,455)	(5,132,933)	(3,350,634)	(2,509,849)	840	(1,230,613)
Receivables from/(payables to) filing and non-filing entities, net	-	-	-	-	-	-
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
Total Current Assets	(26,312,455)	(5,132,933)	(3,350,634)	(2,509,849)	840	(1,230,613)
Properties and equipment, net	-	-	-	-	-	-
Goodwill	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	-	-	-	-	-	-
Other assets	-	-	-	-	-	-
Total Assets	(26,312,455)	(5,132,933)	(3,350,634)	(2,509,849)	840	(1,230,613)
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)						
Liabilities Not Subject to Compromise						
Current Liabilities						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-
Total Current Liabilities	-	-	-	-	-	-
Debt payable after one year	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Not Subject to Compromise	-	-	-	-	-	-
Liabilities Subject to Compromise						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	-	(818)	(110)	(210)	(110)	(30)
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Subject to Compromise	-	(818)	(110)	(210)	(110)	(30)
Total Liabilities	-	(818)	(110)	(210)	(110)	(30)
Shareholders' Equity (Deficit)						
Preferred Stock	-	-	-	-	-	-
Common Stock	-	-	-	1,000	1,000	1,000
Paid in capital	(26,312,455)	(5,132,115)	(3,351,524)	(2,510,639)	(50)	(1,230,683)
(Accumulated deficit)/Retained earnings	-	-	-	-	-	-
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive loss	-	-	-	-	-	-
Total Shareholders' Equity (Deficit)	(26,312,455)	(5,132,115)	(3,350,524)	(2,509,639)	950	(1,230,583)
Total Liabilities and Shareholders' Equity (Deficit)	(26,312,455)	(5,132,933)	(3,350,634)	(2,509,849)	840	(1,230,613)

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W.R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W.R. Grace & Co. - Chapter 11 Filing Entities

Combining Balance Sheet

MOR - 3

January 31, 2005

	W.R. Grace & Co. Corporation	G.C. Management Corp.	Water Shippers Corporation	Debt Recovery Restaurants Inc.	W.R. Grace & Co. Corporation	Grace Star New Communication Company Inc.
ASSETS						
Current Assets						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500
Accounts and other receivables, net						
Receivables from/(payables to) filing and non-filing entities, net	36,708,324		(73,061)	(12,559,518)	(264,688)	(19,471,892)
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
Total Current Assets	36,708,324		(73,061)	(12,559,518)	(264,688)	(19,471,392)
Properties and equipment, net						
Goodwill	-	-	-	-	438,445	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net						
Investment in filing and non-filing entities	6,284,806		-	-	-	-
Other assets	-	-	-	-	-	4,066
TOTAL ASSETS	\$ 42,993,130		\$ (73,061)	\$ (12,559,518)	\$ (264,688)	\$ (19,467,326)
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)						
Liabilities Not Subject to Compromise						
Current Liabilities						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	4,066
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	-	-	-	199	-
Total Current Liabilities	-		-	-	199	4,066
Debt payable after one year	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	(7,650)
Total Liabilities Not Subject to Compromise	-		-	-	199	(3,584)
Liabilities Subject to Compromise						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	(812)	-	(110)	(265)	(759)	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Subject to Compromise	(812)		(110)	(265)	(759)	-
Total Liabilities	(812)		(110)	(265)	(560)	(3,584)
Shareholders' Equity (Deficit)						
Preferred Stock	-	-	-	-	-	-
Common Stock	5,000	-	1,000	85,539	1,000	5,000
Paid in capital	19,577,160	-	-	6,541,055	4,000	6,000,000
(Accumulated deficit)/Retained earnings	23,411,782	-	(73,951)	(19,185,847)	169,317	(25,468,742)
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive loss	-	-	-	-	-	-
Total Shareholders' Equity (Deficit)	42,993,942		(72,951)	(12,559,253)	174,317	(19,463,742)
Total Liabilities and Shareholders' Equity (Deficit)	\$ 42,993,130		\$ (73,061)	\$ (12,559,518)	\$ (73,757)	\$ (19,467,326)

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W.R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W.R. Grace & Co. - Chapter 11 Filing Entities

Combining Balance Sheet

MOR - 3

January 31, 2005

	W.R. Grace & Co. Investment Entity Company	W.R. Grace & Co. International Corporation	W.R. Grace & Co. International Subsidiaries	W.R. Grace & Co. International Affiliates	EGPC Holdings Vt Inc.	Grace Ventures Corp.
ASSETS						
Current Assets						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts and other receivables, net						
Receivables from/(payables to) filing and non-filing entities, net	23,478,742	6,345,361	810,265	(59,581,637)	(185)	(86,721)
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
Total Current Assets	23,478,742	6,345,361	810,265	(59,581,637)	(185)	(86,721)
Properties and equipment, net	-	-	-	-	-	-
Goodwill	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	-	-	-	-	-	-
Other assets	-	-	-	-	-	-
Total Assets	\$ 23,478,742	\$ 6,345,361	\$ 810,265	\$ (59,581,637)	\$ (185)	\$ (86,721)
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)						
Liabilities Not Subject to Compromise						
Current Liabilities						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-
Total Current Liabilities	-	-	-	-	-	-
Debt payable after one year	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Not Subject to Compromise	-	-	-	-	-	-
Liabilities Subject to Compromise						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	-	(1,407)	(300)	(335)	(405)	(185)
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Subject to Compromise	(1,407)	(300)	(335)	(405)	(185)	(110)
Total Liabilities	(1,407)	(300)	(335)	(405)	(185)	(110)
Shareholders' Equity (Deficit)						
Preferred Stock	-	-	-	-	-	-
Common Stock	1,090,000	1,000	1,000	303,000	-	-
Paid in capital	33,631,999	18,090,032	-	37,765,000	-	1,900,000
(Accumulated deficit)/Retained earnings	(11,241,851)	(11,745,371)	809,600	(97,649,232)	-	(1,986,611)
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive loss	-	-	-	-	-	-
Total Shareholders' Equity (Deficit)	23,480,148	6,345,661	810,600	(59,581,232)	-	(86,611)
Total Liabilities and Shareholders' Equity (Deficit)	\$ 23,478,742	\$ 6,345,361	\$ 810,265	\$ (59,581,637)	\$ (185)	\$ (86,721)

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W.R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W.R. Grace & Co. - Chapter 11 Filing Entities

Combining Balance Sheet

MOR - 3

January 31, 2005

	Grace Conn Corporation	EGCO Management Corporation	Grace Offshore Company	Grace Coal Corporation	Grace Air Business	Grace Oil Business
ASSETS						
Current Assets						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts and other receivables, net	352,712,699	4,389,612	(15,750,664)	5,296,839	875,359	(5,314)
Receivables from/(payables to) filing and non-filing entities, net	-	-	-	-	-	-
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
Total Current Assets	352,712,699	4,389,612	(15,750,664)	5,296,839	875,359	(5,314)
Properties and equipment, net	-	-	-	-	-	-
Goodwill	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	(35,903,123)	(14,135,725)	-	-	-	-
Investment in filing and non-filing entities	187,272,210	-	-	-	-	-
Other assets	-	-	-	-	-	-
Total Assets	\$150,408,178.61	\$2,974,611.13	\$115,750,664	\$5,296,839	\$875,359	(5,314)
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)						
Liabilities Not Subject to Compromise						
Current Liabilities						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-
Total Current Liabilities	-	-	-	-	-	-
Debt payable after one year	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Not Subject to Compromise	-	-	-	-	-	-
Liabilities Subject to Compromise						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	(119)	(110)	-	(360)	(310)	(260)
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Subject to Compromise	(119)	(110)	-	(360)	(310)	(260)
Total Liabilities	(119)	(110)	-	(360)	(310)	(260)
Shareholders' Equity (Deficit)						
Preferred Stock	-	-	-	-	-	-
Common Stock	1,000	1,000	(114,960)	100	1,000	1,000
Paid in capital	451,425,156	(2,089,027)	34,215,000	-	-	-
(Accumulated deficit)/Retained earnings	52,655,749	(7,657,976)	(49,850,704)	5,297,099	874,669	(6,054)
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive loss	-	-	-	-	-	-
Total Shareholders' Equity (Deficit)	504,081,905	(9,746,003)	(15,750,664)	5,297,199	875,669	(5,054)
Total Liabilities and Shareholders' Equity (Deficit)	\$150,408,178.61	\$2,974,611.13	\$115,750,664	\$5,296,839	\$875,359	(5,314)

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W.R. Grace & Co. - Chapter 11 Filing Entities

Combining Balance Sheet

MOR - 3

January 31, 2005

	W.R. Grace & Co.	W.R. Grace & Co.	W.R. Grace & Co.	Grace-Dunlap Company	Grace-Premier Subsidiary Incorporated	W.R. Grace & Co. Business Units Company
ASSETS						
Current Assets						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts and other receivables, net						
Receivables from/(payables to) filing and non-filing entities, net	108,080	130,215,533	145,239,206	(81,115,113)	47,407,796	
Inventories	-	-	-	-	-	
Deferred income taxes	-	-	-	-	-	
Other current assets						
Total Current Assets	108,080	130,215,533	145,239,206	(81,115,113)	47,407,796	-
Properties and equipment, net						
Goodwill	-	-	-	-	-	
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	
Deferred income taxes	-	-	-	-	-	
Asbestos-related Insurance receivable	-	-	-	-	-	
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	
Investment in filing and non-filing entities	-	-	-	-	-	
Other assets	-	-	-	-	-	
Total Assets	\$ 108,080	\$ 130,215,533	\$ 145,239,206	\$ (81,115,113)	\$ 47,407,796	\$ -
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)						
Liabilities Not Subject to Compromise						
Current Liabilities						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	
Income taxes payable	-	-	-	-	-	
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	
Other current liabilities	-	-	-	-	-	
Total Current Liabilities	-	-	-	-	-	-
Debt payable after one year	-	-	-	-	-	
Deferred income taxes	-	27,277,846	27,277,846	-	-	
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	
Other liabilities	-	-	-	-	-	
Total Liabilities Not Subject to Compromise	-	27,277,846	27,277,846	-	-	-
Liabilities Subject to Compromise						
Debt, pre-petition plus accrued interest	-	-	-	-	-	
Accounts payable	(360)	1,749,615	1,749,790	(480)	(110)	
Income taxes payable	-	-	-	-	-	
Asbestos-related liability	-	-	-	-	-	
Other liabilities	-	-	-	-	-	
Total Liabilities Subject to Compromise	(360)	1,749,615	1,749,790	(480)	(110)	-
Total Liabilities	(360)	29,027,461	29,027,636	(480)	(110)	-
Shareholders' Equity (Deficit)						
Preferred Stock						
Common Stock	1,000	1,000	100	124,473	1,000	
Paid in capital	-	30,293,750	13,880,108	51,173,713	7,308,934	
(Accumulated deficit)/Retained earnings	107,440	70,893,322	102,331,362	(132,412,819)	40,097,972	
Treasury stock, at cost	-	-	-	-	-	
Accumulated other comprehensive loss	-	-	-	-	-	
Total Shareholders' Equity (Deficit)	108,440	101,188,072	116,211,570	(81,114,633)	47,407,906	-
Total Liabilities and Shareholders' Equity (Deficit)	\$ 108,080	\$ 130,215,533	\$ 145,239,206	\$ (81,115,113)	\$ 47,407,796	\$ -

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W.R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W.R. Grace & Co. - Chapter 11 Filing Entities

Combining Balance Sheet

MOR - 3

January 31, 2005

	Reyden - Equity West Coal Companies	Reyden - Equity West Coal Companies	Eliminations between filing and non-filing entities	Conversion of equity to debt - Melrose	Repositioned Assets
ASSETS					
Current Assets					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts and other receivables, net					200,000
Receivables from/(payables to) filing and non-filing entities, net					
Inventories	-	-	-	-	
Deferred income taxes	-	-	-	-	(24,760,963)
Other current assets	-	-	-	-	
Total Current Assets	-	-	-	-	(24,560,963)
Properties and equipment, net					
Goodwill	-	-	-	-	
Cash value of company owned life insurance, net of policy loans					
Deferred Income taxes	-	-	-	-	(365,947,877)
Asbestos-related insurance receivable	-	-	-	-	
Loans receivable from/(payable to) filing and non-filing entities, net					
Investment in filing and non-filing entities	-	-	(1,326,102,717)	284,256,915	1,800,000
Other assets	-	-	(1,101,282)	-	
Total Assets	\$ -	\$ -	\$ (1,327,203,999)	\$ 284,256,915	\$ (388,708,840)
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)					
Liabilities Not Subject to Compromise					
Current Liabilities					
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	5,000,000
Income taxes payable	-	-	-	-	
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	
Other current liabilities	-	-	-	-	(35,560,963)
Total Current Liabilities	-	-	-	-	(30,560,963)
Debt payable after one year					
Deferred income taxes	-	-	-	-	(365,947,877)
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	
Other liabilities	-	-	(100,000)	-	
Total Liabilities Not Subject to Compromise	-	-	(100,000)	-	(396,508,840)
Liabilities Subject to Compromise					
Debt, pre-petition plus accrued interest	-	-	-	-	
Accounts payable	-	-	-	-	
Income taxes payable	-	-	-	-	
Asbestos-related liability	-	-	-	-	
Other liabilities	-	-	-	-	
Total Liabilities Subject to Compromise	-	-	-	-	
Total Liabilities	-	-	(100,000)	-	(396,508,840)
Shareholders' Equity (Deficit)					
Preferred Stock	-	-	-	-	
Common Stock	-	-	(86,493,960)	-	
Paid in capital	-	-	(1,222,570,000)	-	
(Accumulated deficit)/Retained earnings	-	-	(17,040,039)	289,598,339	2,000,000
Treasury stock, at cost	-	-	(1,000,000)	(5,341,424)	5,800,000
Accumulated other comprehensive loss	-	-	(1,327,103,999)	284,256,915	7,800,000
Total Shareholders' Equity (Deficit)	-	-	(1,327,203,999)	\$ 284,256,915	\$ (388,708,840)
Total Liabilities and Shareholders' Equity (Deficit)					

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W.R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W.R. Grace & Co. - Chapter 11 Filing Entities Combining Balance Sheet MOR - 3 January 31, 2005		COMBINED DEBTORS ENTITIES
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 359,268,429	
Accounts and other receivables, net	114,115,283	
Receivables from/(payables to) filing and non-filing entities, net	40,546,643	
Inventories	77,368,617	
Deferred income taxes	7,948,534	
Other current assets	22,879,003	
Total Current Assets	622,125,509	
Properties and equipment, net	356,778,321	
Goodwill	18,876,721	
Cash value of company owned life insurance, net of policy loans	80,199,315	
Deferred income taxes	667,368,398	
Asbestos-related insurance receivable	500,000,000	
Loans receivable from/(payable to) filing and non-filing entities, net	349,814,472	
Investment in filing and non-filing entities	472,149,793	
Other assets	82,985,153	
Total Assets	\$ 3,150,297,682	
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)		
Liabilities Not Subject to Compromise		
Current Liabilities		
Debt payable within one year	\$ 0	
Accounts payable	57,220,793	
Income taxes payable	5,496,762	
Asbestos-related liability expected to be disbursed within one year		
Other current liabilities	130,657,873	
Total Current Liabilities	193,375,427	
Debt payable after one year		
Deferred income taxes		
Asbestos-related liability expected to be disbursed after one year		
Other liabilities	373,609,095	
Total Liabilities Not Subject to Compromise	566,984,523	
Liabilities Subject to Compromise		
Debt, pre-petition plus accrued interest	648,941,133	
Accounts payable	31,322,314	
Income taxes payable	183,223,290	
Asbestos-related liability	1,700,000,000	
Other liabilities	649,507,218	
Total Liabilities Subject to Compromise	3,212,993,955	
Total Liabilities	3,779,978,477	
Shareholders' Equity (Deficit)		
Preferred Stock	112	
Common Stock	780,855	
Paid in capital	426,301,285	
(Accumulated deficit)/Retained earnings	(571,763,727)	
Treasury stock, at cost	(125,456,816)	
Accumulated other comprehensive loss	(359,542,505)	
Total Shareholders' Equity (Deficit)	(629,680,796)	
Total Liabilities and Shareholders' Equity (Deficit)	\$ 3,150,297,682	

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

Chart 5

W. R. Grace & Co. - Conn
Status of Postpetition Taxes
MOR-4
January 31, 2005

	Beginning Tax Liability	Amount Withheld or Accrued	Amount Paid	Ending Tax Liability
Federal				
Withholding	\$ -	\$ (1,677,331)	\$ (1,677,331)	\$ -
FICA - Employee	5,226	990,350	(991,544)	4,032
FICA and payroll- Employer	294,667	990,353	(1,013,337)	271,683
Unemployment	-	233,308	(233,308)	-
Other	-	(138,503)	(138,503)	-
Total Federal Taxes	\$ 299,893	\$ 4,029,845	\$ (4,054,023)	\$ 275,715
State and Local				
Withholding	\$ -	\$ (566,522)	\$ (566,522)	\$ -
Sales & Use	356,691	313,141	(289,189)	380,643
Property Taxes	1,962,647	397,509	(154,776)	2,205,379
Other	-	-	-	-
Total State and Local	\$ 2,319,338	\$ 1,277,171	\$ (1,010,487)	\$ 2,586,022
Total Taxes	\$ 2,619,231	\$ 5,307,016	\$ (5,064,510)	\$ 2,861,737

Note #4

Grace's information systems do not provide the detailed nature of invoices in Accounts Payable. See Debtor Questionnaire (Chart 7, MOR - 5) for attestation related to accounts payable and tax obligations.

Chart 5

Remedium Group, Inc.
Status of Postpetition Taxes
MOR-4
January 31, 2005

	Beginning Tax Liability	Amount Unpaid or Accrued	Amount Paid	Ending Tax Liability
Federal				
Withholding	\$ -	\$ 13,738	\$ (13,738)	\$ -
FICA - Employee	\$ -	\$ 6,317	\$ (6,317)	\$ -
FICA and payroll- Employer	\$ -	\$ 6,317	\$ (6,317)	\$ -
Unemployment	\$ -	\$ 544	\$ (544)	\$ -
Other	\$ -	\$ 1,415	\$ (1,415)	\$ -
Total Federal Taxes	\$ -	\$ 28,331	\$ (28,331)	\$ -
State and Local				
Withholding	\$ -	\$ 552	\$ (552)	\$ -
Sales & Use	\$ -	\$ -	\$ -	\$ -
Property Taxes	\$ -	\$ -	\$ -	\$ -
Other	\$ -	\$ -	\$ -	\$ -
Total State and Local	\$ -	\$ 552	\$ (552)	\$ -
Total Taxes	\$ -	\$ 28,883	\$ (28,883)	\$ -

Note #4

Grace's information systems do not provide the detailed nature of invoices in Accounts Payable. See Debtor Questionnaire (Chart 7, MOR – 5) for attestation related to accounts payable and tax obligations.

Chart 5

Grace Washington, Inc. Status of Postpetition Taxes MOR-4 January 31, 2005					
	Beginning Tax Liability	Amount Withheld or Accrued	Amount Paid	Ending Tax Liability	
Federal					
Withholding	\$ -	\$ 9,919	\$ (3,919)	\$ -	
FICA - Employee	-	1,262	(1,262)	-	
FICA and payroll- Employer	-	263	(1,263)	-	
Unemployment	-	56	(56)	-	
Other	-	630	(630)	-	
Total Federal Taxes	\$ -	\$ 7,130	\$ (7,130)	\$ -	
State and Local					
Withholding	\$ -	\$ 813	\$ (813)	\$ -	
Sales & Use	-	-	-	-	
Property Taxes	-	-	-	-	
Other	-	-	-	-	
Total State and Local	\$ -	\$ 813	\$ (813)	\$ -	
Total Taxes	\$ -	\$ 7,943	\$ (7,943)	\$ -	

Note #4

Grace's information systems do not provide the detailed nature of invoices in Accounts Payable. See Debtor Questionnaire (Chart 7, MOR – 5) for attestation related to accounts payable and tax obligations.

Chart 5

L B Realty, Inc. Status of Postpetition Taxes MOR-4 January 31, 2005				
	Beginning Tax Liability	Amount Withheld or Accrued	Amount Paid	Ending Tax Liability
Federal				
Withholding	\$ -	\$ -	\$ -	\$ -
FICA - Employee	\$ -	\$ -	\$ -	\$ -
FICA and payroll- Employer	\$ -	\$ -	\$ -	\$ -
Unemployment	\$ -	\$ -	\$ -	\$ -
Other	\$ -	\$ -	\$ -	\$ -
Total Federal Taxes	\$ -	\$ -	\$ -	\$ -
State and Local				
Withholding	\$ -	\$ -	\$ -	\$ -
Sales & Use	\$ -	\$ -	\$ -	\$ -
Property Taxes	\$ -	\$ -	\$ -	\$ -
Other	\$ -	\$ -	\$ -	\$ -
Total State and Local	\$ -	\$ -	\$ -	\$ -
Total Taxes	\$ -	\$ -	\$ -	\$ -

Note #4

Grace's information systems do not provide the detailed nature of invoices in Accounts Payable. See Debtor Questionnaire (Chart 7, MOR - 5) for attestation related to accounts payable and tax obligations.

Chart 5

Darex Puerto Rico, Inc. Status of Postpetition Taxes MOR-4 January 31, 2005				
	Beginning Tax Liability	Amount Withheld or Accrued	Amount Paid	Ending Tax Liability
Federal				
Withholding	\$ -	\$ -	\$ -	\$ -
FICA - Employee	\$ (1,650)	\$ (570)	\$ (570)	\$ (1,650)
FICA and payroll- Employer	-	\$ 570	\$ (208)	\$ 362
Unemployment	-	\$ 462	\$ (462)	-
Other	-	-	-	-
Total Federal Taxes	\$ (1,650)	\$ 1,602	\$ (1,240)	\$ (1,288)
State and Local				
Withholding	\$ 1,364	\$ 883	\$ (883)	\$ 1,364
Sales & Use	-	-	-	-
Property Taxes	336,473	-	-	336,473
Other	-	-	-	-
Total State and Local	\$ 337,837	\$ 883	\$ (883)	\$ 337,837
Total Taxes	\$ 336,187	\$ 2,485	\$ (2,123)	\$ 336,549

Note #4

Grace's information systems do not provide the detailed nature of invoices in Accounts Payable. See Debtor Questionnaire (Chart 7, MOR - 5) for attestation related to accounts payable and tax obligations.

Chart 6

W. R. Grace & Co. - Conn
Accounts Receivable Reconciliation and Aging
MOR-5
January 2005

Trade Accounts Receivable Reconciliation

Trade accounts receivable, beginning of month, gross	\$ 109,865,797
Amounts billed during the period	73,687,405
Amounts collected during the period	(81,716,928)
Other	4,630,700

Trade accounts receivable at the end of month, gross**\$ 106,466,974****Trade Accounts Receivable Aging**

Current	\$ 79,731,025
1-30 days past due	18,319,523
31-60 days past due	6,249,693
+61 days past due	2,166,733
Trade accounts receivable, gross	106,466,974
Allowance for doubtful accounts	(797,815)
Trade accounts receivable, net	\$ 105,669,159

Notes and Accounts Receivable Reconciliation

Trade accounts receivable, net	\$ 105,669,159
Customer notes and drafts receivable	537,370
Pending customer credit notes	(63,836)
Advances and deposits	4,555,485
Nontrade receivables, net	1,456,213
Total notes and accounts receivable, net	\$ 112,154,391

Chart 6

Remedium Group, Inc.
Accounts Receivable Reconciliation and Aging
MOR-5
January 2005

Trade Accounts Receivable Reconciliation	
Trade accounts receivable, beginning of month, gross	\$ -
Amounts billed during the period	-
Amounts collected during the period	-
Other	-
Trade accounts receivable at the end of month, gross	\$ -
Trade Accounts Receivable Aging	
Current	\$ -
1-30 days past due	-
31-60 days past due	-
+61 days past due	-
Trade accounts receivable, gross	-
Allowance for doubtful accounts	-
Trade accounts receivable, net	\$ -
Notes and Accounts Receivable Reconciliation	
Trade accounts receivable, net	\$ -
Customer notes and drafts receivable	-
Pending customer credit notes	-
Advances and deposits	-
Nontrade receivables, net	-
Total notes and accounts receivable, net	\$ -

Chart 6

Darex Puerto Rico, Inc.
Accounts Receivable Reconciliation and Aging
MOR-5
January 2005

Trade Accounts Receivable Reconciliation	
Trade accounts receivable, beginning of month, gross	\$ 2,141,077
Amounts billed during the period	417,148
Amounts collected during the period	(663,150)
Other	(19,703)
Trade accounts receivable at the end of month, gross	\$ 1,875,372

Trade Accounts Receivable Aging	
Current	\$ 1,409,301
1-30 days past due	349,847
31-60 days past due	33,502
+61 days past due	82,722
Trade accounts receivable, gross	1,875,372
Allowance for doubtful accounts	(9,721)
Trade accounts receivable, net	\$ 1,865,651

Notes and Accounts Receivable Reconciliation	
Trade accounts receivable, net	\$ 1,865,651
Customer notes and drafts receivable	-
Pending customer credit notes	-
Advances and deposits	-
Nontrade receivables, net	-
Total notes and accounts receivable, net	\$ 1,865,651

Chart 6

Grace Europe, Inc.
Accounts Receivable Reconciliation and Aging
MOR-5
January 2005

Trade Accounts Receivable Reconciliation

Trade accounts receivable, beginning of month, gross

\$ -

Amounts billed during the period

\$ -

Amounts collected during the period

\$ -

Other

\$ -

Trade accounts receivable at the end of month, gross

\$ -

Trade Accounts Receivable Aging

Current

\$ -

1-30 days past due

\$ -

31-60 days past due

\$ -

+61 days past due

\$ -

Trade accounts receivable, gross

\$ -

Allowance for doubtful accounts

\$ -

Trade accounts receivable, net

\$ -

Notes and Accounts Receivable Reconciliation

Trade accounts receivable, net

\$ -

Customer notes and drafts receivable

\$ -

Pending customer credit notes

\$ -

Advances and deposits

\$ -

Nontrade receivables, net

95,242

Total notes and accounts receivable, net

\$ -

95,242

Chart 7

W.R. Grace & Co., et al Debtor Questionnaire MOR - 5 January 2005		
	Yes	No
1. Have any assets been sold or transferred outside the normal course of business this reporting period? If yes, provide an explanation below.		X
2. Have any funds been disbursed from any account other than a debtor in possession account for this reporting period? If yes, provide an explanation below.		See Note #5 below
3. Have all postpetition tax returns been timely filed? If no, provide an explanation below.	X	
4. Are workers compensation, general liability and other necessary insurance coverages in affect? If no, provide and explanation below.	X	
5. Are post-petition accounts payable and tax obligations current and paid to date? If no, provide an explanation.	X (unless disputed in normal course of business)	

Note #5

As part of the first day orders submitted to the court on April 2, 2001, an application for the Debtors to (a) continue and maintain their consolidated cash management system, (b) continue and maintain their existing bank accounts and (c) continue to use existing business forms and granting related relief was included. The Debtors have continued to use their existing bank accounts and no new debtor in possession accounts have been established.

Assets sold/transferred outside the normal course of business over \$25,000:		
Description of Asset	Sale Date	Proceeds

Combined Chapter 11 Filing Entity Statements

Chart 8

(in millions)	Month Ended January 31	
	2005	2004
Net sales to third parties	\$ 74.1	\$ 68.0
Net sales to non-filing entities	23.4	21.4
Interest and royalties from non-filing entities	2.1	2.5
	99.6	91.9
Cost of goods sold to third parties	50.3	46.1
Cost of goods sold to non-filing entities	19.2	18.1
Selling, general and administrative expenses	22.4	17.5
Depreciation and amortization	4.7	4.9
Research and development expenses	3.1	2.7
Net pension expense	4.3	4.0
Interest expense	4.3	1.2
Other (income) expense	(0.4)	0.1
Provision for asbestos-related litigation, net of estimated insurance recovery	-	-
Provision for environmental remediation	-	-
	107.9	94.6
Income (loss) before Chapter 11 expenses, income taxes and equity in net income of non-filing entities	(8.3)	(2.7)
Chapter 11 expenses, net	(2.0)	(1.3)
Benefit from (provision for) income taxes	(0.8)	(1.7)
Income (loss) before equity in net income of non-filing entities	(11.1)	(5.7)
Equity in net income of non-filing entities	12.5	10.6
Net income (loss)	1.4	4.9

The Notes to Combined Financial Statements are an integral part of these statements.

Chart 9

W. R. Grace & Co. - Chapter 11 Filing Entities Combined Functional Basis Statement of Cash Flows		Month Ended January 31 2005
<i>(in millions)</i>		
<i>Core operations cash flow</i>		
Pre-tax income from core operations	\$ (0.4)	
Depreciation and amortization	4.7	
Payments to fund defined benefit pension arrangements	4.3	
Change in Non-Filing entity operating loans and Investment	(0.2)	
Changes in all core assets/liabilities and other	(2.1)	
Net increase in accounts receivable from Non-Filing entities due to transfer price adjustments	8.3	
Total Pre-tax Operating Cash Flow	10.3	
Capital expenditures	(2.1)	
Total Pre-tax Operating Free Cash Flow	8.2	
<i>Charges against core reserves</i>		
Restructuring costs	-	
Pension liabilities	-	
Deferred compensation	-	
Self insurance	-	
Total Spending Against Core Reserves	-	
Net Core Cash Flow	8.2	
<i>Noncore cash flow</i>		
Proceeds from asset sales	-	
Benefit proceeds under life insurance policies	2.0	
Cash received from litigation settlement	-	
Other noncore pretax cash flow	(1.7)	
Total Noncore Pretax Cash Flow	0.3	
<i>Charges against noncore reserves</i>		
Asbestos		
Asbestos claims processing	(0.5)	
Less - insurance recovery	-	
Net asbestos payments	(0.5)	
Environmental remediation	(0.2)	
Retained obligations and other	-	
Postretirement benefits	(1.0)	
Total Spending Against Noncore Reserves	(1.7)	
Noncore Cash Flow	(1.4)	
Total Pre-tax/Pre-interest/Pre-Chapter 11 Cash Flow	6.8	
Cash paid for taxes, net of refunds	(0.1)	
Cash paid for interest, net	-	
Chapter 11 expenses paid	(1.7)	
Cash Flow before Strategic Investments	5.0	
<i>Strategic Investments</i>		
Cash paid for businesses acquired	-	
Proceeds from exercise of stock options	0.2	
Cash used for Strategic Investments	0.2	
Cash Flow after Strategic Investments	4.8	
Borrowings under the debtor-in-possession facility, net of fees	(0.2)	
Net (investing)/financing activities under life insurance policies	14.3	
Net Cash Flow	19.4	

The Notes to Combined Financial Statements are an integral part of these statements.

Chart 10

W. R. Grace & Co. - Chapter 11 Filing Entities			
Combined Balance Sheet			
	January 31, 2005	December 31, 2004	April 2, 2001
ASSETS			
Current Assets			
Cash and cash equivalents	\$ 359.3	\$ 340.0	\$ 8.6
Trade accounts receivable, less allowance of \$0.8 (2004 - \$1.0, Filing Date - \$0.7)	108.0	111.6	32.3
Receivables from non-filing entities, net	40.5	37.8	51.2
Inventories	77.4	76.9	80.6
Deferred income taxes	7.9	6.6	80.9
Asbestos-related insurance expected to be realized within one year	-	-	17.0
Other current assets	29.0	31.5	33.4
Total Current Assets	622.1	604.4	304.0
Properties and equipment, net	356.8	359.9	400.4
Goodwill	18.9	18.9	13.6
Cash value of life insurance policies, net of policy loans	80.2	96.0	64.1
Deferred income taxes	667.4	666.2	401.0
Asbestos-related insurance expected to be realized after one year	500.0	500.0	323.4
Loans receivable from non-filing entities, net	349.8	358.6	387.5
Investment in non-filing entities	472.1	468.4	121.0
Other assets	83.0	82.8	308.5
Total Assets	\$ 3,150.3	\$ 3,155.2	\$ 2,323.6
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)			
Liabilities Not Subject to Compromise			
Current Liabilities			
Debt payable within one year	\$ -	\$ -	\$ -
Accounts payable	57.1	57.2	-
Income taxes payable	5.5	5.0	-
Other current liabilities	130.7	125.3	-
Total Current Liabilities	193.3	187.5	-
Debt payable after one year	-	-	-
Other liabilities	373.7	381.8	31.8
Total Liabilities Not Subject to Compromise	567.0	569.3	31.8
Liabilities Subject to Compromise			
Debt, pre-petition plus accrued interest	648.9	645.8	511.5
Accounts payable	31.3	31.3	43.0
Income taxes payable	213.2	210.4	240.1
Asbestos-related liability	1,700.0	1,700.0	1,002.8
Other liabilities	619.6	620.2	568.6
Total Liabilities Subject to Compromise	3,213.0	3,207.7	2,366.0
Total Liabilities	3,780.0	3,777.0	2,397.8
Shareholders' Equity (Deficit)			
Common stock	0.8	0.8	0.8
Paid in capital	426.3	426.5	432.6
Accumulated deficit	(571.8)	(573.2)	(201.8)
Treasury stock, at cost	(125.5)	(125.9)	(136.4)
Accumulated other comprehensive loss	(359.5)	(350.0)	(169.5)
Total Shareholders' Equity (Deficit)	(629.7)	(621.8)	(74.3)
Total Liabilities and Shareholders' Equity (Deficit)	\$ 3,150.3	\$ 3,155.2	\$ 2,323.6

The Notes to Combined Financial Statements are an integral part of these statements.

W. R. Grace & Co.
Notes to Combined Financial Statements
January 31, 2005

1. Basis of Presentation and Summary of Significant Accounting and Financial Reporting Policies

W. R. Grace & Co., through its subsidiaries, is engaged in specialty chemicals and specialty materials businesses on a worldwide basis through two business segments: "Davison Chemicals," which includes two product groups - refining technologies and specialty materials; and "Performance Chemicals," which includes three product groups – specialty construction chemicals, building materials and sealants and coatings.

W. R. Grace & Co. conducts substantially all of its business through a direct, wholly owned subsidiary, W. R. Grace & Co.-Conn. ("Grace-Conn."). Grace-Conn. owns substantially all of the assets, properties and rights of W. R. Grace & Co. on a consolidated basis, either directly or through subsidiaries.

As used in these notes, the term "Company" refers to W. R. Grace & Co. The term "Grace" refers to the Company and/or one or more of its subsidiaries and, in certain cases, their respective predecessors.

VOLUNTARY BANKRUPTCY FILING

In response to a sharply increasing number of asbestos-related bodily injury claims, on April 2, 2001 (the "Filing Date"), W. R. Grace & Co. and 61 of its United States subsidiaries and affiliates, including Grace-Conn. (collectively, the "Debtors"), filed voluntary petitions for reorganization (the "Filing") under Chapter 11 of the United States Bankruptcy Code ("Chapter 11" or the "Bankruptcy Code") in the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court"). The cases were consolidated and are being jointly administered under case number 01-01139 (the "Chapter 11 Cases"). Grace's non-U.S. subsidiaries and certain of its U.S. subsidiaries were not included in the Filing.

During 2000 and the first quarter of 2001, Grace experienced several adverse developments in its asbestos-related litigation, including: a significant increase in bodily injury claims, higher than expected costs to resolve bodily injury and certain property damage claims, and class action lawsuits

alleging damages from a former attic insulation product. After a thorough review of these developments, the Board of Directors of Grace concluded on April 2, 2001 that a federal court-supervised Chapter 11 process provided the best forum available to achieve fairness in the claims resolution process. Under Chapter 11, the Debtors have continued to operate their businesses as debtors-in-possession under court protection from their creditors and claimants, while using the Chapter 11 process to develop and implement a plan for addressing the asbestos-related claims against them. Since the Filing, all motions necessary to conduct normal business activities have been approved by the Bankruptcy Court.

Plan of Reorganization – On November 13, 2004, the Debtors filed a Plan of Reorganization, as well as several associated documents, including a Disclosure Statement (the "Plan"), with the U.S. Bankruptcy Court in Delaware in connection with its Chapter 11 reorganization proceeding. On January 13, 2005, Grace filed an amended Plan and disclosure statement to address certain objections of creditors and other interested parties. The Plan describes the way Grace proposes to satisfy its asbestos and other Chapter 11-related claims.

The Plan will become effective only after a vote of eligible creditors and with the approval of the Bankruptcy Court. Votes on the Plan may not be solicited until the Bankruptcy Court approves the Disclosure Statement.

Under the terms of the Plan, Grace would satisfy claims under the Chapter 11 cases as follows:

Asbestos-Related Claims and Costs

A trust would be established under Section 524(g) of the Bankruptcy Code through which all pending and future asbestos-related claims would be channeled for resolution. The trust would utilize specified trust distribution procedures to satisfy allowed asbestos-related claims and costs, as follows:

1. *Personal injury claims that meet specified exposure and medical criteria (Personal Injury-Symptomatic Eligible or "PI-SE" Claims) - PI-SE claimants would have to prove that their health is impaired from exposure to Grace's asbestos-containing products.*

2. *Personal injury claims that do not meet the exposure and medical criteria necessary to qualify as PI-SE Claims (Personal Injury-Asymptomatic and Other or "PI-AO" Claims)* - This class would contain all other asbestos-related personal injury claims against Grace.
3. *Property damage claims, including claims related to Grace's former Zonolite attic insulation ("ZAI") product ("PD Claims")* - These claimants would have to prove Grace liability for loss of property value or remediation costs related to Grace's asbestos-containing products.
4. *Trust administration costs and legal expenses.*

Grace has requested that the Bankruptcy Court conduct an estimation hearing to determine the amounts that would need to be paid into the trust on the effective date of the Plan to satisfy the estimated liability for each class of asbestos claimants and trust administration costs and expenses over time. The amounts to fund PI-SE Claims, PD Claims and trust administration would be capped at the amount determined through the estimation hearing. Amounts required to fund PI-AO Claims would not be capped.

Asbestos personal injury claimants would have the option to litigate their claims against the trust or, if they meet specified eligibility criteria, accept a settlement amount based on the severity of their disease. Asbestos property damage claimants would be required to litigate their claims through the trust. The Plan provides that, as a condition precedent to confirmation, the maximum aggregate payment for all asbestos-related liabilities (PI-SE, PI-AO and PD including ZAI) and trust administrative costs and expenses cannot exceed \$1,613 million, which Grace believes would fund over \$2 billion in claims, costs and expenses over time.

The PI-SE Claims, the PD Claims and the related trust administration costs and expenses would be funded with (1) \$512.5 million in cash (plus interest accrued at 5.5% from December 21, 2002) and nine million shares of common stock of Sealed Air Corporation pursuant to the terms of the settlement agreement resolving asbestos-related and fraudulent transfer claims against Sealed Air, provided the

Bankruptcy Court approves the settlement agreement on terms acceptable to Grace, and (2) Grace common stock. The amount of Grace common stock required to satisfy these claims will vary depending on the liability measures approved by the Bankruptcy Court and the value of the Sealed Air settlement, which varies daily with the accrual of interest and the trading value of Sealed Air stock.

The PI-AO Claims would be funded with warrants exercisable for such number of shares of Grace common stock that, when added to the shares issued directly to the trust on the effective date, would represent 50.1% of the voting securities of Grace. If the common stock issuable upon exercise of the warrants is insufficient to pay all PI-AO Claims, then Grace would be obligated to pay any additional liabilities in cash.

Other Creditors

The Plan provides that all allowed claims other than those covered under the asbestos trust would be paid totally in cash (if such claims qualify as administrative or priority) or 85% in cash and 15% in Grace common stock (if such claims qualify as general unsecured). Grace estimates that approximately \$1,248 million of claims, including currently accrued interest, would be satisfied in this manner at the effective date of the Plan, including bank debt, environmental liabilities, non-qualified pension claims, trade payables, litigation, and tax liabilities. Grace would finance these payments with \$184 million of cash on hand, \$115 million from Fresenius Medical Care Holdings, Inc. paid in settlement of asbestos and other Grace-related claims, \$800 million in new debt and \$149 million in value of Grace common stock. Grace would satisfy other non-asbestos related liabilities, estimated to be approximately \$487 million, (primarily environmental, tax, pension and retirement medical obligations,) as they become due and payable over time. Proceeds from available product liability insurance would supplement operating cash flow to service new debt and liabilities not paid on the effective date of the Plan.

Effect on Grace Common Stock

The Plan provides that Grace common stock will remain outstanding, but that the interests of existing shareholders would be subject to dilution for additional shares of common stock issued under the

Plan. In order to preserve the future tax benefits related to its significant U.S. federal net operating losses ("NOLs"), Grace has obtained a Bankruptcy Court order imposing notice requirements and potential restrictions on stock acquisitions by those persons or entities that (i) currently own 4.75% or more of Grace common stock or (ii) seek to acquire 4.75% or more of Grace common stock. Pursuant to the order, Grace has the right to object in Bankruptcy Court to such persons or entities acquiring Grace common stock if such acquisition would pose a material risk of adversely affecting Grace's ability to utilize its NOLs. Under U.S. tax rules, NOLs are subject to potentially severe limitations in the event of ownership changes triggering a change in control (as defined under the Internal Revenue Code). The order will remain in effect until Grace emerges from Chapter 11.

Grace intends to address all pending and future asbestos-related claims and all other pre-petition claims as outlined in the Plan. However, Grace may not be successful in convincing the Bankruptcy Court and other interested parties to approve its Plan as proposed. In fact, a materially different plan of reorganization may ultimately be approved and under the ultimate plan of reorganization, the interests of the Company's shareholders could be substantially diluted or cancelled. The value of Grace common stock following a plan of reorganization, and the extent of any recovery by non-asbestos-related creditors, will depend principally on the ultimate value assigned to Grace's asbestos-related claims.

As provided by the Bankruptcy Code, the Debtors had the exclusive right to propose a plan of reorganization for a 120-day period following the Filing Date. The Debtors have received extensions of their exclusivity period through May 24, 2005, and extensions of the Debtors' exclusive right to solicit acceptances of a plan of reorganization through July 24, 2005.

Official Parties to Grace's Chapter 11 Proceedings – Three creditors' committees, two representing asbestos claimants and the third representing other unsecured creditors, and a committee representing shareholders have been appointed in the Chapter 11 Cases. These committees, and a legal representative of future asbestos claimants, have the right to be

heard on all matters that come before the Bankruptcy Court and are likely to play important roles in the Chapter 11 Cases. The Debtors are required to bear certain costs and expenses of the committees and of the future asbestos claimants' representative, including those of their counsel and financial advisors.

The Debtors' Chapter 11 cases had been assigned to Judge Alfred M. Wolin, a senior U.S. District Court Judge who sat in Newark, New Jersey. Judge Wolin was presiding over asbestos bodily injury matters and the fraudulent conveyance litigation described below. He assigned the Debtors' other bankruptcy matters to Judge Judith Fitzgerald, a U.S. bankruptcy judge from the Western District of Pennsylvania, sitting in Wilmington, Delaware. On May 17, 2004, a federal appeals court recused Judge Wolin and on May 27, 2004, Judge Ronald L. Buckwalter, a U.S. District Court Judge from the Eastern District of Pennsylvania, was assigned to the Chapter 11 Cases.

Claims Filings – The Bankruptcy Court established a bar date of March 31, 2003 for claims of general unsecured creditors, asbestos-related property damage claims and medical monitoring claims related to asbestos. The bar date did not apply to asbestos-related bodily injury claims or claims related to Zonolite attic insulation, which will be dealt with separately.

Approximately 14,900 proofs of claim were filed by the bar date. Of these claims, approximately 9,400 were non-asbestos related, approximately 4,300 were for asbestos-related property damage, and approximately 1,000 were for medical monitoring. In addition, approximately 500 proofs of claim were filed after the bar date.

Approximately 7,000 of the non-asbestos related claims involve claims by employees or former employees for future retirement benefits such as pension and retiree medical coverage. Grace views most of these claims as contingent and has proposed a plan of reorganization that would retain such benefits. The other non-asbestos related claims include claims for payment of goods and services; taxes; product warranties; principal plus interest under pre-petition credit facilities; amounts due under leases; executory contracts rejected in the Bankruptcy Court; environmental remediation;

indemnification or contribution from actual or potential co-defendants in asbestos-related and other litigation; pending non-asbestos-related litigation; and non-asbestos-related personal injury.

The Debtors' analysis indicates that many claims are duplicates, represent the same claim filed against more than one of the Debtors, lack any supporting documentation, or provide insufficient supporting documentation. As of December 31, 2004, the Debtors had filed with the Bankruptcy Court objections to approximately 1,500 claims, most objections of which were non-substantive (duplicates, no supporting documentation, late filed claims, etc.). Of such claims, 1,031 have been expunged, 195 have been withdrawn, and the remainder are being addressed through dispute resolution procedures approved by the Bankruptcy Court. The Debtors expect to file objections to a substantial number of additional claims and revise their Filing Date liabilities each quarter to reflect their analysis and evaluation of the claims.

The medical monitoring claims were made by individuals who allege exposure to asbestos through Grace's products or operations. These claims, if sustained, would require Grace to fund ongoing health monitoring costs for qualified claimants. However, based on the number and expected cost of such claims, Grace does not believe such claims will have a material effect on its Consolidated Financial Statements.

Grace believes that its recorded liabilities for claims subject to the bar date represent a reasonable estimate of the ultimate allowable amount for claims that are not in dispute or have been submitted with sufficient information to both evaluate merit and estimate the value of the claim. The asbestos-related claims are considered as part of Grace's overall asbestos reserve and are subject to the conditions precedent under the Plan. As claims are resolved, or where better information becomes available and is evaluated, Grace will make adjustments to the liabilities recorded on its financial statements as appropriate. Any such adjustments could be material to its consolidated financial position and results of operations.

Litigation Proceedings in Bankruptcy Court – In July 2002, the Bankruptcy Court approved special

counsel to represent, at the Debtors' expense, the ZAI claimants in a proceeding to determine certain threshold scientific issues regarding ZAI. On October 18, 2004, the Bankruptcy Court heard oral arguments from the Debtors and the counsel representing the ZAI claimants. The Court indicated that it may require additional proceedings before a decision is issued.

Under the Plan, Grace is proposing an estimation and litigation protocol to measure its asbestos-related liability and to determine the amount of assets required to be contributed at the effective date of the Plan to fund such liability over time. The outcome of this approach may take considerable time, may require protracted litigation and may result in a measurement of allowed asbestos-related claims that differs materially from the \$1,613 million that is set forth in the Plan as the maximum amount of such claims, as determined by the Bankruptcy Court, that would satisfy a condition precedent to confirmation of the Plan.

In September 2000, Grace was named in a purported class action lawsuit filed in California Superior Court for the County of San Francisco, alleging that the 1996 reorganization involving a predecessor of Grace and Fresenius Medical Care Holdings, Inc. ("Fresenius") and the 1998 reorganization involving a predecessor of Grace and Sealed Air Corporation ("Sealed Air") were fraudulent transfers. The Bankruptcy Court authorized the Official Committee of Asbestos Personal Injury Claimants and the Official Committee of Asbestos Property Damage Claimants to proceed with claims against Fresenius and Sealed Air on behalf of the Debtors' estates.

On November 29, 2002, Sealed Air and Fresenius each announced that they had reached agreements in principle with such Committees to settle asbestos and fraudulent conveyance claims related to such transactions. Under the terms of the Fresenius settlement, as subsequently revised, Fresenius would contribute \$115.0 million to the Debtors' estate as directed by the Bankruptcy Court upon confirmation of the Debtors' plan of reorganization, subject to the fulfillment of specified conditions. In July 2003, the Fresenius settlement was approved by the Bankruptcy Court. Under the terms of the proposed Sealed Air settlement, Sealed Air would make a payment of \$512.5 million (plus interest at 5.5%

compounded annually, commencing on December 21, 2002) and nine million shares of Sealed Air common stock (valued at \$461.7 million as of January 31, 2005), as directed by the Bankruptcy Court upon confirmation of the Debtors' plan of reorganization. The Sealed Air settlement has not been agreed to by the Debtors and remains subject to the approval of the Bankruptcy Court and the fulfillment of specified conditions.

Impact on Debt Capital – All of the Debtors' pre-petition debt is in default due to the Filing. The accompanying Consolidated Balance Sheet reflects the classification of the Debtors' pre-petition debt within "liabilities subject to compromise."

The Debtors have entered into a debtor-in-possession post-petition loan and security agreement with Bank of America, N.A. (the "DIP facility") in the aggregate amount of \$250 million. The term of the DIP facility expires on April 1, 2006.

Accounting Impact – The accompanying Consolidated Financial Statements have been prepared in accordance with Statement of Position 90-7 ("SOP 90-7"), "Financial Reporting by Entities in Reorganization Under the Bankruptcy Code," promulgated by the American Institute of Certified Public Accountants. SOP 90-7 requires that financial statements of debtors-in-possession be prepared on a going concern basis, which contemplates continuity of operations, realization of assets and liquidation of liabilities in the ordinary course of business. However, as a result of the Filing, the realization of certain of Debtors' assets and the liquidation of certain of Debtors' liabilities are subject to significant uncertainty. While operating as debtors-in-possession, the Debtors may sell or otherwise dispose of assets and liquidate or settle liabilities for amounts other than those reflected in the Consolidated Financial Statements. Further, the ultimate plan of reorganization could materially change the amounts and classifications reported in the Consolidated Financial Statements.

Pursuant to SOP 90-7, Grace's pre-petition liabilities that are subject to compromise are required to be reported separately on the balance sheet at an estimate of the amount that will ultimately be allowed by the Bankruptcy Court. As of January 31, 2005, such pre-petition liabilities include fixed

obligations (such as debt and contractual commitments), as well as estimates of costs related to contingent liabilities (such as asbestos-related litigation, environmental remediation, and other claims). Obligations of Grace subsidiaries not covered by the Filing continue to be classified on the Consolidated Balance Sheets based upon maturity dates or the expected dates of payment. SOP 90-7 also requires separate reporting of certain expenses, realized gains and losses, and provisions for losses related to the Filing as reorganization items.

Grace's Consolidated Financial Statements as of December 31, 2004 reflect adjustments to conform to the Plan filed with the Bankruptcy Court in January 2005 as follows:

- *An accrual and charge of \$714.8 million to increase Grace's recorded asbestos-related liability to that which is reflected as the maximum amount allowed under the conditions precedent to the Plan* - Under the Plan, Grace is requesting that the Bankruptcy Court determine the aggregate dollar amount, on a net present value basis, that must be funded (the "Funding Amount") into an asbestos trust (established under Section 524(g) of the Bankruptcy Code) to pay all allowed pending and future asbestos-related personal injury and property damage claims and related trust administration costs and expenses on the effective date of the Plan. It is a condition to confirmation that the Bankruptcy Court shall conclude that the Funding Amount is not greater than \$1,613 million. This amount, which should be sufficient to fund over \$2 billion in pending and future claims, is based on Grace's evaluation of existing personal injury and property damage claims, actuarially-based estimates of future bodily injury claims, and proposed claim payments that reflect past experience and current trends in asbestos litigation. This amount may not be consistent with what the Bankruptcy Court may conclude would be a sufficient Funding Amount. Grace has filed an estimation motion with the Bankruptcy Court to implement a process for determining the Funding Amount, which will be primarily a function of the number of allowed claims and the amount payable per claim. Using this process, Grace will seek to demonstrate,

through the use of detailed claim forms and expert testimony, that the vast majority of claims should not be allowed because they fail to establish any material property damage, health impairment or significant occupational exposure to asbestos from Grace's operations or products. Grace also will seek Bankruptcy Court approval of Grace's proposed payouts for allowed personal injury claims, which will vary depending upon the type of claim and/or a claimant's disease category. If the Bankruptcy Court grants the estimation motion and agrees with Grace's position on the number of, and the amounts to be paid in respect of, allowed personal injury and property damage claims, then Grace believes that the Funding Amount could be less than \$1,613 million. However, this outcome is highly uncertain and will depend on a number of Bankruptcy Court rulings. Conversely, the asbestos creditors committees have objected to the estimation process and will continue to assert that Grace's asbestos-related liabilities are substantially higher than \$1,613 million, and are in excess of Grace's business value. If the Court accepts the position of the asbestos committees, then any plan of reorganization likely would result in the loss of all or substantially all equity value by current shareholders. Therefore, due to the significant uncertainties of this process and asbestos litigation generally, Grace is not able to estimate a probable Funding Amount that would be accepted by the Bankruptcy Court. However, as Grace is willing to proceed with confirmation of a Plan with a Funding Amount of up to \$1,613 million (assuming that other conditions precedent to confirmation of the Plan are satisfied, including the availability of funds from Sealed Air under the settlement agreement described above), Grace is accruing and taking a charge of \$714.8 million to increase its recorded asbestos-related liability to reflect the \$1,613 million maximum amount allowed as a condition precedent under the Plan plus \$87 million for pre-Chapter 11 contractual settlements and judgments and continuing administration. The total asbestos-related reserve as of December 31, 2004 is \$1,700 million. Any differences between the Plan as filed and as approved for confirmation could fundamentally change the accounting

measurement of Grace's asbestos-related liability and that change could be material.

- *An asset and credit of \$238.2 million to increase Grace's estimate of insurance proceeds to which it would be entitled to an aggregate of \$500.0 million -* Under Grace's available insurance coverage, the payment of asbestos-related claims and costs will entitle Grace to partial insurance recovery based on the level of asbestos-related liability noted above. The amounts will vary with the type of expenditure and the relevant time period of the covered loss. Grace estimates that, at an ultimate payout of asbestos-related claims of \$1,700 million, it should be entitled to approximately \$500 million, on a net present value basis, of insurance recovery. Such recovery however would occur only as claims are paid by the asbestos trust, absent an alternative payment arrangement with Grace's insurers.
- *An accrual and charge of \$94.1 million to increase Grace's estimate of interest to which general unsecured creditors would be entitled under the Plan -* The Plan states that each holder of an allowed general unsecured claim shall be entitled to post-petition interest if, but for the Filing, the claim would be entitled to accrue or be paid interest in a non-default (or non-overdue payment) situation under applicable non-bankruptcy law. Grace is using interest rates of 6.09% compounded quarterly for pre-petitioned bank debt and 4.19% compounded annually for all other eligible claims or, if applicable, a contractual rate or court imposed rate.
- *An asset and credit of \$151.7 million for net income tax benefits related to the items described above -* The net pre-tax effect of the above items on Grace's 2004 Consolidated Statement of Operations was a \$570.7 million charge to reflect the net liability aspects of the Plan. The deferred tax benefit on this net liability is \$199.7 million at a statutory rate of 35%. Of this amount, \$48.0 million exceeds Grace's analysis of the tax assets that can be realized under reasonable scenarios of future taxable income (exclusive of the tax effects under the litigation settlements with Sealed Air

and Fresenius). Accordingly, a valuation allowance of \$48.0 million has been recorded against the total of Grace's deferred tax assets.

No accounting has been made for the assets available to fund Grace's asbestos-related and other liabilities under the litigation settlements with Sealed Air Corporation and Fresenius Medical Care, as such agreements are subject to conditions which, although expected to be met, have not been satisfied and approved by the Bankruptcy Court. The value available under these litigation settlement agreements, as measured at December 31, 2004, was \$1,165.7 million comprised of \$115.0 million in cash from Fresenius and \$1,050.7 million in cash and stock from Sealed Air.

Basis of Presentation

The interim Combined Financial Statements presented herein represent the results of operations, cash flows and financial position of the Debtors. These financial statements pertain to periods beginning with, and subsequent to, the Filing Date and have been prepared in conformity with requirements of the Bankruptcy Court. Consequently, these financial statements do not purport to present the financial performance of W. R. Grace & Co. in conformity with generally accepted accounting principles which would require the consolidation of all controlled subsidiaries and more extensive notes and analysis related to the worldwide operations of W. R. Grace & Co. Financial activity of non-Debtor entities is not presented herein. However, all non-Debtor entities are either directly or indirectly controlled by the Debtors and, accordingly, non-Debtor financial results are reflected under the equity method of accounting. These financial statements are unaudited and should be read in conjunction with the consolidated financial statements presented in the Company's 2003 Annual Report on Form 10-K/A and when filed, its 2004 Annual Report on Form 10-K and other periodic filings with the U.S. Securities and Exchange Commission.

These interim Combined Financial Statements reflect all adjustments that, in the opinion of management, are necessary for a fair presentation of the results of the interim periods presented under generally accepted accounting principles; all such

adjustments are of a normal recurring nature. All significant inter-Debtor accounts and transactions have been eliminated. Transactions and balances with non-Debtor entities are separately disclosed. Certain amounts in prior years' Combined Financial Statements have been reclassified to conform to the 2005 presentation.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principals requires that management make estimates and assumptions affecting the assets and liabilities reported at the date of the Consolidated Financial Statements, and the revenues and expenses reported for the periods presented. Actual amounts could differ from those estimates. Changes in estimates are recorded in the period identified. Grace's accounting measurements that are most affected by management's estimates of future events are:

- Contingent liabilities such as asbestos-related matters, environmental remediation, income taxes, and retained obligations of divested businesses.
- Pension and post-retirement liabilities that depend on assumptions regarding discount rates and/or total returns on invested funds.
- Depreciation and amortization periods for long-lived assets, including property and equipment, intangible, and other assets.
- Realization values of various assets such as net deferred tax assets, trade receivables, inventories, insurance receivables, income taxes, and goodwill.

The accuracy of these and other estimates may also be materially affected by the uncertainties arising under the Chapter 11 Cases.

2. Chapter 11 Related Financial Information

As a result of the Filing, Grace's Consolidated Balance Sheets separately identify the liabilities that are "subject to compromise" as a result of the Chapter 11 proceedings. In Grace's case, "liabilities subject to compromise" represent pre-petition liabilities as determined under U.S. generally accepted accounting principles. Changes to the

recorded amount of such liabilities will be based on developments in the Chapter 11 Cases and management's assessment of the claim amounts that will ultimately be allowed by the Bankruptcy Court. Changes to pre-petition liabilities subsequent to the Filing Date reflect: 1) cash payments under approved court orders; 2) the accrual of interest on pre-petition debt and pre-petition liabilities as discussed in Note 1; 3) accruals for employee-related programs; and 4) changes in estimates related to pre-petition contingent liabilities.

Set forth below is a reconciliation of the changes in pre-filing date liability balances for the period from the Filing Date through January 31, 2005.

	Current Month	Previous Month
Balance, beginning of period	\$ 3,207.7	\$ 2,366.0
Cash disbursements and/or reclassifications under Bankruptcy Court orders:		
Freight and distribution order	—	(5.7)
Trade accounts payable order	—	(9.1)
Other court orders including employee wages and benefits, sales and use tax and customer programs	1.2	(249.8)
Expense/(income) items:		
Interest on pre-petition liabilities	3.9	157.0
Employee-related accruals	0.2	20.2
Change in estimate of asbestos-related contingencies	—	744.8
Change in estimate of environmental contingencies	—	240.6
Change in estimate of income tax contingencies	—	(25.3)
Balance sheet reclassifications	—	(25.7)
Balance, end of period	\$ 3,213.0	\$ 3,213.0

Pre-Filing Date obligations allowable under current court orders and expected to be paid prior to an adopted plan of reorganization are classified as "liabilities not subject to compromise." Additional liabilities subject to compromise may arise due to the rejection of executory contracts or unexpired leases, or as a result of the allowance of contingent or disputed claims.

3. Other Balance Sheet Accounts

	January 31, 2005	Filing Date
Inventories		
Raw materials	\$ 20.8	\$ 20.3
In process	21.6	16.2
Finished products	67.2	63.8
General merchandise	12.4	9.6
Less: Adjustment of certain inventories to a last-in/first-out (LIFO) basis	(44.6)	(29.3)
	\$ 77.4	\$ 80.6
Other Assets		
Deferred pension costs.....	\$ 3.0	\$ 227.9
Deferred charges	35.3	40.4
Long-term receivables	7.5	1.9
Long-term investments	—	2.1
Patents, licenses and other intangible assets	21.9	25.2
Pension – unamortized prior service cost	15.3	8.1
Other assets	—	2.9
	\$ 83.0	\$ 308.5
Other Current Liabilities		
Accrued compensation	\$ 56.7	\$ —
Accrued commissions	7.6	—
Customer programs	19.3	—
Accrued utilities	0.1	—
Accrued freight	3.3	—
Accrued reorganization fees	11.6	—
Other accrued liabilities	32.1	—
	\$ 130.7	\$ —
Other Liabilities		
Deferred royalty income – non-filing entities	\$ —	\$ 31.8
Pension – underfunded plans	316.7	—
Other accrued liabilities	57.0	—
	\$ 373.7	\$ 31.8
Other Liabilities Subject to Compromise		
Other postretirement benefits	\$ 117.6	\$ 185.4
Environmental remediation	344.8	164.8
Retained obligations of divested businesses	55.1	75.5
Special pension arrangements	77.6	70.8
Deferred compensation	4.5	8.2
Self insurance reserve	21.4	11.8
Accrued interest on pre-petition liabilities	25.3	—
Other accrued liabilities	3.3	82.1
	\$ 649.6	\$ 598.6

4. Life Insurance

Grace is the beneficiary of life insurance policies on certain current and former employees with a net cash surrender value of \$80.2 million at January 31, 2005. The policies were acquired to fund various employee benefit programs and other long-term liabilities and are structured to provide cash flow (primarily tax-free) over an extended number of years. The following table summarizes the net cash value at January 31, 2005 and Filing Date:

Components of Net Cash Value		
	January 31, 2005	Filing Date
Gross cash value	\$ 103.7	\$ 453.7
Principal – policy loans.....	(22.9)	(390.3)
Accrued interest – policy loans....	(0.6)	0.7
Net cash value.....	\$ 80.2	\$ 64.1
Insurance benefits in force.....	\$ 193.0	\$2,286.0

Grace's financial statements display income statement activity and balance sheet amounts on a net basis, reflecting the contractual interdependency of policy assets and liabilities.

Grace has reached an agreement with the Internal Revenue Service (the "IRS") to settle tax contingencies with respect to certain of these life insurance policies. In January 2005, Grace surrendered and terminated most of these life insurance policies and received approximately \$16 million of net cash value from the termination. As a result of the termination, gross cash value of the policies was reduced by approximately \$381 million and policy loans of approximately \$365 million were satisfied. Grace's insurance benefits in force was reduced by approximately \$2 billion to approximately \$191 million.

5. Debt

On January 31, 2005, and Filing Date, Grace's debt was as follows:

Components of Debt Valuation	January 31, 2005	Filing Date
Debt payable within one year		
DIP facility	\$ --	\$ --
Other short-term borrowings	\$ --	\$ --
Debt payable after one year		
DIP facility	\$ --	\$ --
Other long-term borrowings	\$ --	\$ --
Debt Subject to Compromise		
Bank borrowings	\$ 500.0	\$ 500.0
8.0% Notes Due 2004	--	5.7
7.75% Notes Due 2002	--	2.0
Other borrowings	14.9	1.2
Accrued interest	134.0	2.6
	\$ 648.9	\$ 511.5

In April 2001, the Debtors entered into the DIP facility for a two-year term in the aggregate amount of \$250 million. The DIP facility is secured by a priority lien on substantially all assets of the Debtors, and bears interest based on LIBOR. The Debtors' have extended the term of the DIP facility through April 1, 2006. Grace had no outstanding borrowings under the DIP facility as of January 31, 2005; however, \$27.7 million of standby letters of credit were issued and outstanding under the facility. The letters of credit, which reduce available funds under the facility, were issued mainly for trade-related matters such as performance bonds and certain insurance and environmental matters.

The 7.75% Notes were repaid on June 11, 2001, and the 8.0% Notes were repaid on August 15, 2001, by the unaffiliated guarantor of the Notes. Grace's liability with respect to these notes is included in other liabilities subject to compromise as of January 31, 2005.

Bank Statements

W R GRACE & CO
C/O CORPORATE ACCOUNTING
7500 GRACE DRIVE
COLUMBIA MD 21044-4098

TS

Account No: 910-1-013572
Statement Start Date: 01 DEC 2004
Statement End Date: 31 DEC 2004
Statement Code: 000-USA-21
Statement No: 012
Page 1 of 4

TRANSACTIONS

				BALANCES			
				<u>Opening (01 DEC 2004)</u>		<u>Closing (31 DEC 2004)</u>	
Total Credits	2	200,000.00	Ledger	74,462.28	Ledger	54,779.84	
Total Debits (Incl. checks)	22	219,682.44	Collected	74,462.28	Collected	54,779.84	
Total Checks Paid	0	0.00					

CREDITS

Ledger Date	Adj Ledger Date	Value	Value Date	F	T	References	Credit / Debit	Description	Date	Closing Balances	Amount
06DEC	06DEC	USD	YOUR: CAP OF 04/12/06 OUR: 0907300341J0				100,000.00	BOOK TRANSFER CREDIT B/O: W.R. GRACE AND COMPANY CAMBRIDGE MA 02140- REF: CHASE MEDICAL ACCT FUNDING	01DEC	LEDGER BALANCES	68,208.77
17DEC	17DEC	USD	YOUR: CAP OF 04/12/17 OUR: 2283000352J0				100,000.00	BOOK TRANSFER CREDIT B/O: W.R. GRACE AND COMPANY CAMBRIDGE MA 02140- REF: CHASE MEDICAL ACCT FUNDING	02DEC	57,228.89	

DEBITS

01DEC 30NOV	30NOV	USD	OUR: 0433600095WA	6,253.51	GOVERNMENT ALLOTMENT DEBIT COVERING DRAFTS TO A/C NO. 002-2-416598 FOR WORK OF 11/30/04 W R GRACE & CO C/O CORPORATE ACCOUNTING 7500 GRACE DRIVE COLUMBIA MD 21044-4098	10,979.88	11,489.63	US1 - SAME DAY FUNDS US2 - NEXT DAY FUNDS	01DEC	COLLECTED BALANCES	68,208.77
02DEC	01DEC	USD	OUR: 0433700093WA		GOVERNMENT ALLOTMENT DEBIT COVERING DRAFTS TO A/C NO. 002-2-416598 FOR WORK OF 12/01/04 W R GRACE & CO C/O CORPORATE ACCOUNTING 7500 GRACE DRIVE COLUMBIA MD 21044-4098	29DEC	02DEC	US3 - THREE DAY FLOAT US4 - FOUR DAY FLOAT	02DEC	57,228.89	
03DEC	02DEC	USD	OUR: 0433800093WA		GOVERNMENT ALLOTMENT DEBIT COVERING DRAFTS TO A/C NO. 002-2-416598 FOR WORK OF 12/02/04 W R GRACE & CO C/O CORPORATE ACCOUNTING 7500 GRACE DRIVE COLUMBIA MD 21044-4098	31DEC	03DEC	US5 - FIVE DAY FLOAT USM - MIXED FLOAT	03DEC	45,739.26	
FT CODE:									04DEC	138,547.86	
									05DEC	113,598.53	

PLEASE EXAMINE THIS STATEMENT OF ACCOUNT AT ONCE. THE MAINTENANCE OF THIS ACCOUNT IS SUBJECT TO THE PROVISIONS OF THE NEW YORK UNIFORM COMMERCIAL CODE AND THE BANK'S TERMS AND CONDITIONS FOR BUSINESS ACCOUNTS AND SERVICES. THE BANK DISCLAIMS RESPONSIBILITY FOR ANY ERROR IN OR IMPROPER CHARGE TO THE ACCOUNT AS RENDERED UNLESS INFORMED IN WRITING OF THIS ERROR OR CHARGE WITHIN SIXTY DAYS OF THE DELIVERY OR MAILING OR AVAILABILITY OF THE STATEMENT AND CANCELED VOUCHERS. KINDLY REFER TO THE INSTRUCTIONS ON THE REVERSE SIDE OF THIS STATEMENT IN ORDER TO DIRECT YOUR INQUIRIES TO THE PROPER DEPARTMENT FOR PROMPT ACTION.

W R GRACE & CO
C/O CORPORATE ACCOUNTING
7500 GRACE DRIVE
COLUMBIA MD 21044-4098

TS

Account No: 910-1-013572
Statement Start Date: 01 DEC 2004
Statement End Date: 31 DEC 2004
Statement Code: 000-USA-21
Statement No: 012

Page 2 of 4

Ledger	Adj Ledger	Date	F	T	References	Credit / Debit	Description	Date	Closing Balances	Amount
DEBITS CONTINUED										
06DEC	03DEC	USD	OUR:	0434100092WA		7,191.40	GOVERNMENT ALLOTMENT DEBIT	08DEC	103,086.32	
							COVERING DRAFTS TO A/C NO.	09DEC	87,677.79	
							002-2-416598 FOR WORK OF 12/03/04	10DEC	78,433.91	
							W R GRACE & CO C/O CORPORATE	13DEC	73,442.49	
							ACCOUNTING 7500 GRACE DRIVE	14DEC	60,954.94	
							COLUMBIA MD 21044-4098	15DEC	53,479.38	
							002-2-416598 FOR WORK OF 12/06/04	16DEC	41,248.91	
							W R GRACE & CO C/O CORPORATE	17DEC	136,324.29	
							ACCOUNTING 7500 GRACE DRIVE	20DEC	128,346.12	
							COLUMBIA MD 21044-4098	21DEC	116,725.26	
							002-2-416598 FOR WORK OF 12/07/04	22DEC	108,936.44	
							W R GRACE & CO C/O CORPORATE	23DEC	94,023.84	
							ACCOUNTING 7500 GRACE DRIVE	24DEC	86,585.28	
							COLUMBIA MD 21044-4098	28DEC	74,527.54	
							002-2-416598 FOR WORK OF 12/08/04	29DEC	65,534.05	
							W R GRACE & CO C/O CORPORATE	30DEC	59,964.18	
							ACCOUNTING 7500 GRACE DRIVE		54,779.84	
							COLUMBIA MD 21044-4098			
							002-2-416598 FOR WORK OF 12/09/04			
							W R GRACE & CO C/O CORPORATE			
							ACCOUNTING 7500 GRACE DRIVE			
							COLUMBIA MD 21044-4098			
							002-2-416598 FOR WORK OF 12/10/04			
							W R GRACE & CO C/O CORPORATE			
							ACCOUNTING 7500 GRACE DRIVE			
							COLUMBIA MD 21044-4098			
							002-2-416598 FOR WORK OF 12/11/04			
							W R GRACE & CO C/O CORPORATE			
							ACCOUNTING 7500 GRACE DRIVE			
							COLUMBIA MD 21044-4098			
							002-2-416598 FOR WORK OF 12/12/04			
							W R GRACE & CO C/O CORPORATE			
							ACCOUNTING 7500 GRACE DRIVE			
							COLUMBIA MD 21044-4098			
							002-2-416598 FOR WORK OF 12/13/04			
							W R GRACE & CO C/O CORPORATE			
							ACCOUNTING 7500 GRACE DRIVE			
							COLUMBIA MD 21044-4098			
							002-2-416598 FOR WORK OF 12/14/04			
							W R GRACE & CO C/O CORPORATE			
							ACCOUNTING 7500 GRACE DRIVE			
							COLUMBIA MD 21044-4098			
							002-2-416598 FOR WORK OF 12/15/04			
							W R GRACE & CO C/O CORPORATE			
							ACCOUNTING 7500 GRACE DRIVE			
							COLUMBIA MD 21044-4098			
							002-2-416598 FOR WORK OF 12/16/04			
							W R GRACE & CO C/O CORPORATE			
							ACCOUNTING 7500 GRACE DRIVE			
							COLUMBIA MD 21044-4098			
							002-2-416598 FOR WORK OF 12/17/04			
							W R GRACE & CO C/O CORPORATE			
							ACCOUNTING 7500 GRACE DRIVE			
							COLUMBIA MD 21044-4098			
							002-2-416598 FOR WORK OF 12/18/04			
							W R GRACE & CO C/O CORPORATE			
							ACCOUNTING 7500 GRACE DRIVE			
							COLUMBIA MD 21044-4098			
							002-2-416598 FOR WORK OF 12/19/04			
							W R GRACE & CO C/O CORPORATE			
							ACCOUNTING 7500 GRACE DRIVE			
							COLUMBIA MD 21044-4098			
							002-2-416598 FOR WORK OF 12/20/04			
							W R GRACE & CO C/O CORPORATE			
							ACCOUNTING 7500 GRACE DRIVE			
							COLUMBIA MD 21044-4098			
							002-2-416598 FOR WORK OF 12/21/04			
							W R GRACE & CO C/O CORPORATE			
							ACCOUNTING 7500 GRACE DRIVE			
							COLUMBIA MD 21044-4098			
							002-2-416598 FOR WORK OF 12/22/04			
							W R GRACE & CO C/O CORPORATE			
							ACCOUNTING 7500 GRACE DRIVE			
							COLUMBIA MD 21044-4098			
							002-2-416598 FOR WORK OF 12/23/04			
							W R GRACE & CO C/O CORPORATE			
							ACCOUNTING 7500 GRACE DRIVE			
							COLUMBIA MD 21044-4098			
							002-2-416598 FOR WORK OF 12/24/04			
							W R GRACE & CO C/O CORPORATE			
							ACCOUNTING 7500 GRACE DRIVE			
							COLUMBIA MD 21044-4098			
							002-2-416598 FOR WORK OF 12/25/04			
							W R GRACE & CO C/O CORPORATE			
							ACCOUNTING 7500 GRACE DRIVE			
							COLUMBIA MD 21044-4098			
							002-2-416598 FOR WORK OF 12/26/04			
							W R GRACE & CO C/O CORPORATE			
							ACCOUNTING 7500 GRACE DRIVE			
							COLUMBIA MD 21044-4098			
							002-2-416598 FOR WORK OF 12/27/04			
							W R GRACE & CO C/O CORPORATE			
							ACCOUNTING 7500 GRACE DRIVE			
							COLUMBIA MD 21044-4098			
							002-2-416598 FOR WORK OF 12/28/04			
							W R GRACE & CO C/O CORPORATE			
							ACCOUNTING 7500 GRACE DRIVE			
							COLUMBIA MD 21044-4098			
							002-2-416598 FOR WORK OF 12/29/04			
							W R GRACE & CO C/O CORPORATE			
							ACCOUNTING 7500 GRACE DRIVE			
							COLUMBIA MD 21044-4098			
							002-2-416598 FOR WORK OF 12/30/04			
							W R GRACE & CO C/O CORPORATE			
							ACCOUNTING 7500 GRACE DRIVE			
							COLUMBIA MD 21044-4098			
							002-2-416598 FOR WORK OF 12/31/04			
							W R GRACE & CO C/O CORPORATE			
							ACCOUNTING 7500 GRACE DRIVE			
							COLUMBIA MD 21044-4098			
							002-2-416598 FOR WORK OF 01/01/05			
							W R GRACE & CO C/O CORPORATE			
							ACCOUNTING 7500 GRACE DRIVE			
							COLUMBIA MD 21044-4098			
							002-2-416598 FOR WORK OF 01/02/05			
							W R GRACE & CO C/O CORPORATE			
							ACCOUNTING 7500 GRACE DRIVE			
							COLUMBIA MD 21044-4098			
							002-2-416598 FOR WORK OF 01/03/05			
							W R GRACE & CO C/O CORPORATE			
							ACCOUNTING 7500 GRACE DRIVE			
							COLUMBIA MD 21044-4098			
							002-2-416598 FOR WORK OF 01/04/05			
							W R GRACE & CO C/O CORPORATE			
							ACCOUNTING 7500 GRACE DRIVE			
							COLUMBIA MD 21044-4098			
							002-2-416598 FOR WORK OF 01/05/05			
							W R GRACE & CO C/O CORPORATE			
							ACCOUNTING 7500 GRACE DRIVE			
							COLUMBIA MD 21044-4098			
							002-2-416598 FOR WORK OF 01/06/05			
							W R GRACE & CO C/O CORPORATE			
							ACCOUNTING 7500 GRACE DRIVE			
							COLUMBIA MD 21044-4098			
							002-2-416598 FOR WORK OF 01/07/05			
							W R GRACE & CO C/O CORPORATE			
							ACCOUNTING 7500 GRACE DRIVE			
							COLUMBIA MD 21044-4098			
							002-2-416598 FOR WORK OF 01/08/05			
							W R GRACE & CO C/O CORPORATE			
							ACCOUNTING 7500 GRACE DRIVE			
							COLUMBIA MD 21044-4098			
							002-2-416598 FOR WORK OF 01/09/05			
							W R GRACE & CO C/O CORPORATE			
							ACCOUNTING 7500 GRACE DRIVE			
							COLUMBIA MD 21044-4098			
							002-2-416598 FOR WORK OF 01/10/05			
							W R GRACE & CO C/O CORPORATE			
							ACCOUNTING 7500 GRACE DRIVE			
							COLUMBIA MD 21044-4098			
							002-2-416598 FOR WORK OF 01/11/05			
							W R GRACE & CO C/O CORPORATE			
							ACCOUNTING 7500 GRACE DRIVE			
							COLUMBIA MD 21044-4098			
							002-2-416598 FOR WORK OF 01/12/05			
							W R GRACE & CO C/O CORPORATE			
							ACCOUNTING 7500 GRACE DRIVE			
							COLUMBIA MD 21044-4098			
							002-2-416598 FOR WORK OF 01/13/05			
							W R GRACE & CO C/O CORPORATE			
							ACCOUNTING 7500 GRACE DRIVE			

W R GRACE & CO
C/O CORPORATE ACCOUNTING
7500 GRACE DRIVE
COLUMBIA MD 21044-4098

TS

Account No: 910-1-013572
Statement Start Date: 01 DEC 2004
Statement End Date: 31 DEC 2004
Statement Code: 000-USA-21
Statement No: 012

Page 3 of 4

DEBITS CONTINUED

Ledger	Adj Ledger	Date	Value Date	F	T	References	Credit / Debit	Description	Date	Closing Balances	Amount
								002-2-416598 FOR WORK OF 12/14/04			
16DEC 15DEC		15DEC	USD OUR:	0435100088WA			12,230.47	W R GRACE & CO C/O CORPORATE ACCOUNTING 7500 GRACE DRIVE COLUMBIA MD 21044-4098 GOVERNMENT ALLOTMENT DEBIT COVERING DRAFTS TO A/C NO.			
17DEC 16DEC		16DEC	USD OUR:	0435200087WA			4,924.62	002-2-416598 FOR WORK OF 12/15/04			
20DEC 17DEC		17DEC	USD OUR:	0435500083WA			7,978.17	W R GRACE & CO C/O CORPORATE ACCOUNTING 7500 GRACE DRIVE COLUMBIA MD 21044-4098 GOVERNMENT ALLOTMENT DEBIT COVERING DRAFTS TO A/C NO.			
21DEC 20DEC		20DEC	USD OUR:	0435600088WA			11,620.86	002-2-416598 FOR WORK OF 12/16/04			
22DEC 21DEC		21DEC	USD OUR:	0435700081WA			7,788.82	W R GRACE & CO C/O CORPORATE ACCOUNTING 7500 GRACE DRIVE COLUMBIA MD 21044-4098 GOVERNMENT ALLOTMENT DEBIT COVERING DRAFTS TO A/C NO.			
23DEC 22DEC		22DEC	USD OUR:	0435800085WA			14,912.60	002-2-416598 FOR WORK OF 12/17/04			
24DEC 23DEC		23DEC	USD OUR:	0435900082WA			7,438.56	W R GRACE & CO C/O CORPORATE ACCOUNTING 7500 GRACE DRIVE COLUMBIA MD 21044-4098 GOVERNMENT ALLOTMENT DEBIT COVERING DRAFTS TO A/C NO.			
							002-2-416598 FOR WORK OF 12/23/04				

W R GRACE & CO
C/O CORPORATE ACCOUNTING
7500 GRACE DRIVE
COLUMBIA MD 21044-4098

TS

Account No: 910-1-013572
Statement Start Date: 01 DEC 2004
Statement End Date: 31 DEC 2004
Statement Code: 000-USA-21
Statement No: 012

Page 4 of 4

Edger	Adj Ledger	Value	Credit / Debit	Description	Closing Balances
Date	Date	F	T	References	Amount
DEBITS CONTINUED					
28DEC 27DEC	27DEC	USD OUR:	0436300093WA	ACCOUNTING 7500 GRACE DRIVE COLUMBIA MD 21044-4098 GOVERNMENT ALLOTMENT DEBIT COVERING DRAFTS TO A/C NO. 002-2-416598 FOR WORK OF 12/27/04 W R GRACE & CO C/O CORPORATE ACCOUNTING 7500 GRACE DRIVE COLUMBIA MD 21044-4098 GOVERNMENT ALLOTMENT DEBIT COVERING DRAFTS TO A/C NO. 002-2-416598 FOR WORK OF 12/27/04 W R GRACE & CO C/O CORPORATE ACCOUNTING 7500 GRACE DRIVE COLUMBIA MD 21044-4098 GOVERNMENT ALLOTMENT DEBIT COVERING DRAFTS TO A/C NO. 002-2-416598 FOR WORK OF 12/28/04 W R GRACE & CO C/O CORPORATE ACCOUNTING 7500 GRACE DRIVE COLUMBIA MD 21044-4098 GOVERNMENT ALLOTMENT DEBIT COVERING DRAFTS TO A/C NO. 002-2-416598 FOR WORK OF 12/29/04 W R GRACE & CO C/O CORPORATE ACCOUNTING 7500 GRACE DRIVE COLUMBIA MD 21044-4098 GOVERNMENT ALLOTMENT DEBIT COVERING DRAFTS TO A/C NO. 002-2-416598 FOR WORK OF 12/30/04 W R GRACE & CO C/O CORPORATE ACCOUNTING 7500 GRACE DRIVE COLUMBIA MD 21044-4098	12,057.74
29DEC 28DEC	28DEC	USD OUR:	0436400091WA		8,993.49
30DEC 29DEC	29DEC	USD OUR:	0436500092WA		5,569.87
31DEC 30DEC	30DEC	USD OUR:	0436600094WA		5,184.34

CHECKS

No Activity



WACHOVIA

Commercial Checking

01 2199500021812 036 130 0 0 157 390

00052560 1 MB 0.309 02 MAAD 208

W R GRACE AND CO-CONN
GENERAL ACCOUNT
ATTN:PATTY ELLIOTT-GRAY
7500 GRACE DRIVE .BLDG 25
COLUMBIA,MD 21044-6098

CB

Commercial Checking

12/01/2004 thru 12/31/2004

Account number: 2199500021812
Account owner(s): W R GRACE AND CO-CONN
GENERAL ACCOUNT

Taxpayer ID Number: 135114230

Account Summary

Opening balance 12/01	\$782,532.01
Deposits and other credits	13,012,830.20
Other withdrawals and service fees	13,785,017.21
Closing balance 12/31	\$10,345.00

Deposits and Other Credits

<i>Date</i>	<i>Amount</i>	<i>Description</i>
12/02	654,251.27	DEPOSIT
12/13	390,983.14	DEPOSIT
12/16	107,990.22	DEPOSIT
12/16	630,442.04	DEPOSIT
12/21	10,172,426.30	DEPOSIT
12/29	58.59	DEPOSIT
12/29	3,463.43	DEPOSIT
12/29	54,920.08	DEPOSIT
12/29	998,295.13	DEPOSIT
Total	\$13,012,830.20	

Other Withdrawals and Service Fees

<i>Date</i>	<i>Amount</i>	<i>Description</i>
12/03	817,807.20 ✓	FUNDS TRANSFER (ADVICE 041203023090) SENT TO CHASE MANHATTAN B/ BNF=W R GRACE AND CO CONN OBI= RFB= 12/03/04 03:20PM
12/07	608,976.08 ✓	FUNDS TRANSFER (ADVICE 041207016059) SENT TO CHASE MANHATTAN B/ BNF=W R GRACE AND CO CONN OBI= RFB= 12/07/04 02:54PM
12/16	77.37 ✓	DEPOSITED ITEM RETURNED ADV # 593676

Other Withdrawals and Service Fees continued on next page.



Commercial Checking

03 2199500021812 036 130

0 0 157.401

Customer Service Information

For questions about your statement or billing errors, contact us at:

**Business Checking, CheckCard & Loan Accounts
TDD (For the Hearing Impaired)
Commercial Checking & Loan Accounts**

Phone number

Address

WACHOVIA BANK, NATIONAL ASSOCIATION
NC8502
P O BOX 563966
CHARLOTTE NC 28262-3966

To Balance Your Account

1. Compare your account register to your account statement for unrecorded transactions (such as ATM, CheckCard, Interest earned, fees, etc.) Your new account register total should match the adjusted balance in line 6 below.
 2. Write in the closing balance shown on the front of account statement: _____
 3. Write in any deposits you have made since the date of this statement. _____

 4. Add together amounts listed above in steps 2 and 3. _____
 5. In the section to the right, list and total all checks and withdrawals that you have made that are not reported on your account statement. Write in the total here. _____
 6. Subtract the amount in line 5 from the amount in line 4. This is your adjusted balance and should match the balance in Step 1. _____

In Case of Errors or Questions About Your Electronic Transfers: Telephone us at 800-222-3862 or write to us at WACHOVIA BANK, NATIONAL ASSOCIATION, NC8502, P O BOX 563966, CHARLOTTE NC 28262-3966, as soon as you can, if you think your statement or receipt is wrong or if you need more information about a transfer on the statement or receipt. We must hear from you no later than 60 days after we sent you the FIRST statement on which the error or problem appeared.

1. Tell us your name and account number (if any).
 2. Describe the error or the transfer you are unsure about, and explain as clearly as you can why you believe there is an error or why you need more information.
 3. Tell us the dollar amount of the suspected error.

We will investigate your complaint and will correct any error promptly. If we take more than 10 business days to do this, we will credit your account for the amount you think is in error. You will have use of the money during the time it takes us to complete our investigation.

WACHOVIA BANK, N.A. IS MEMBER FDIC

Wachovia

Commercial Checking

01 2079900003615 001 108

0 160

Replacement Statement

001

W R GRACE & CO-CONN
62 WHITMORE AVE.
CAMBRIDGE MD 21240

CB 113

Commercial Checking

12/01/2004 thru 12/31/2004

Account number: 2079900003615
Account owner(s): W R GRACE & CO-CONN

Taxpayer ID Number: 133461988

Account Summary

Opening balance 12/01	\$0.00
Deposits and other credits	69,154.82 +
Other withdrawals and service fees	69,154.82 -
Closing balance 12/31	\$0.00

Deposits and Other Credits

Date	Amount	Description	Ref.
12/10	29,349.13	ZBA TRANSFER CREDIT AUTOMATED FROM 2000000282172 W R GRACE & CO	0000000000000000
12/23	39,805.69	ZBA TRANSFER CREDIT AUTOMATED FROM 2000000282172 W R GRACE & CO	0000000000000000
Total	\$69,154.82		

Other Withdrawals and Service Fees

Date	Amount	Description	Ref.
12/10	29,349.13	AUTOMATED DEBIT REMEDIUM GROUP, PAYROLL CO. ID. 041210 CCD MISC SETTL NCVCRRIDN REMEDIUM NC	100020043420882
12/23	39,805.69	AUTOMATED DEBIT REMEDIUM GROUP, PAYROLL CO. ID. 041223 CCD MISC SETTL NCVCRRIDN REMEDIUM NC	100020043550960
Total	\$69,154.82		

Daily Balance Summary

Dates	Amount	Dates	Amount	Dates	Amount
12/10	0.00	12/23	0.00		

Jan-18-05 11:18am From-CORPORATE CUSTOMER SERVICE JAX

18004198530

T-434 P.03/03 F-730

Commercial Checking

02 2079900003615 001 108 0 160

Replacement Statement

001

Customer Service Information

For questions about your statement or billing errors, contact us at:

Phone Number

Address

Business Checking, CheckCard & Loan Accounts
TDD (For the Hearing Impaired)
Commercial Checking & Loan Accounts

800-566-3862
800-835-7721
800-222-3862WACHOVIA BANK, NATIONAL ASSOCIATION
NC8502
P O BOX 563966
CHARLOTTE NC 28262-3966

In Case of Errors or Questions About Your Electronic Transfers: Telephone us at 800-222-3862 or write to us at WACHOVIA BANK, NATIONAL ASSOCIATION, NC8502, P O BOX 563966, CHARLOTTE NC 28262-3966, as soon as you can, if you think your statement or receipt is wrong or if you need more information about a transfer on the statement or receipt. We must hear from you no later than 60 days after we send you the first statement on which the error or problem appeared.

1. Tell us your name and account number, (if any).
2. Describe the error or the transfer you are unsure about, and explain as clearly as you can why you believe there is an error or why you need more information.

3. Tell us the dollar amount of the suspected error.

We will investigate your complaint and will correct any error promptly. If we take more than 10 business days to do this, we will credit your account for the amount you think is in error. You will have use of the money during the time it takes us to complete our investigation.

WACHOVIA BANK, N.A. IS MEMBER FDIC



Investment Management

Merrill Lynch Funds For Institutions

2005-01-01 00:00:00 - 12/31/2004 12:00:00 ET

834

W R GRACE & CO - CONN
ATTN TREASURY DEPT
7500 GRACE DR
COLUMBIA MD 21044-4029

Merrill Lynch Premier Institutional Fund

Cumulative Statement for 01/01/2004 - 12/31/2004

Account Number
318-3323735-8

Financial Advisor
H P S Group
(--73807646)

Account Value As Of 12/31/2004
\$330,261,770.33

Dividends	01/01/2004 - 12/31/2004	Year To Date
	\$2,301,246.23	\$2,301,246.23

> MERRILL LYNCH FUNDS FOR INSTITUTIONS WILL BE
CLOSED ON MONDAY, JANUARY 17TH IN OBSERVANCE
OF MARTIN LUTHER KING, JR. DAY.

> THE AVERAGE NET ANNUALIZED YIELD FOR THE
MONTH OF DECEMBER WAS 2.07%. THE TRADING
DEADLINE ON JANUARY 14TH IS 3:00 P.M. ET.

Account Activity

Confirm Date	Trade Date	Transaction Description	Dollar Amount of Transaction	Share Price	Balance After Transaction
		Beginning Balance			\$116,360,524.10
01/05/2004	01/05/2004	Shares Purchased By Wire	\$8,000,000.00	\$1.00	\$124,360,524.10
01/06/2004	01/06/2004	Same Day Wire Redemption	\$5,700,000.00	\$1.00	\$118,660,524.10
01/07/2004	01/07/2004	Shares Purchased By Wire	\$2,500,000.00	\$1.00	\$121,160,524.10
01/08/2004	01/08/2004	Same Day Wire Redemption	\$5,300,000.00	\$1.00	\$115,860,524.10
01/09/2004	01/09/2004	Same Day Wire Redemption	\$3,700,000.00	\$1.00	\$112,160,524.10
01/12/2004	01/12/2004	Shares Purchased By Wire	\$4,200,000.00	\$1.00	\$116,360,524.10
01/13/2004	01/13/2004	Shares Purchased By Wire	\$1,600,000.00	\$1.00	\$117,960,524.10
01/14/2004	01/14/2004	Shares Purchased By Wire	\$2,800,000.00	\$1.00	\$120,760,524.10
01/15/2004	01/15/2004	Same Day Wire Redemption	\$1,000,000.00	\$1.00	\$119,760,524.10
01/16/2004	01/16/2004	Shares Purchased By Wire	\$1,800,000.00	\$1.00	\$121,560,524.10
01/20/2004	01/20/2004	Same Day Wire Redemption	\$2,800,000.00	\$1.00	\$118,760,524.10
01/21/2004	01/21/2004	Shares Purchased By Wire	\$3,700,000.00	\$1.00	\$122,460,524.10
01/22/2004	01/22/2004	Same Day Wire Redemption	\$5,200,000.00	\$1.00	\$117,260,524.10
01/23/2004	01/23/2004	Shares Purchased By Wire	\$2,700,000.00	\$1.00	\$119,960,524.10
01/26/2004	01/26/2004	Same Day Wire Redemption	\$4,000,000.00	\$1.00	\$115,960,524.10
01/26/2004	01/26/2004	Same Day Wire Redemption	\$1,000,000.00	\$1.00	\$114,960,524.10
01/28/2004	01/28/2004	Shares Purchased By Wire	\$10,300,000.00	\$1.00	\$125,260,524.10
01/29/2004	01/29/2004	Same Day Wire Redemption	\$2,000,000.00	\$1.00	\$123,260,524.10

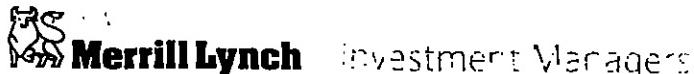
Account Number 318-3323735-8

(page 1 of 8)

519574



MLM-34102-0152682048.04144.04144.CNSMLM01.IINVWW.....MLM.. 000057826



Merrill Lynch Funds For Institutions

Merrill Lynch Premier Institutional Fund

Cumulative Statement for 01/01/2004 - 12/31/2004

Account Number
318-3323735-8

Account Activity

Confirm Date	Trade Date	Transaction Description	Dollar Amount of Transaction	Share Price	Balance After Transaction
01/31/2004	01/31/2004	Div Reinvest	\$104,857.39	\$1.00	\$123,365,381.49
02/02/2004	02/02/2004	Shares Purchased By Wire	\$2,700,000.00	\$1.00	\$126,065,381.49
02/02/2004	02/02/2004	Shares Purchased By Wire	\$2,700,000.00	\$1.00	\$128,765,381.49
02/02/2004	02/02/2004	Same Day Wire Redemption	\$2,700,000.00	\$1.00	\$126,065,381.49
02/03/2004	02/03/2004	Same Day Wire Redemption	\$1,500,000.00	\$1.00	\$124,565,381.49
02/04/2004	02/04/2004	Shares Purchased By Wire	\$900,000.00	\$1.00	\$125,465,381.49
02/05/2004	02/05/2004	Same Day Wire Redemption	\$6,500,000.00	\$1.00	\$118,965,381.49
02/06/2004	02/06/2004	Shares Purchased By Wire	\$1,600,000.00	\$1.00	\$120,565,381.49
02/09/2004	02/09/2004	Shares Purchased By Wire	\$800,000.00	\$1.00	\$121,365,381.49
02/09/2004	02/09/2004	Shares Purchased By Wire	\$2,300,000.00	\$1.00	\$123,665,381.49
02/10/2004	02/10/2004	Same Day Wire Redemption	\$4,900,000.00	\$1.00	\$118,765,381.49
02/11/2004	02/11/2004	Same Day Wire Redemption	\$2,400,000.00	\$1.00	\$116,365,381.49
02/17/2004	02/17/2004	Same Day Wire Redemption	\$3,800,000.00	\$1.00	\$112,565,381.49
02/18/2004	02/18/2004	Shares Purchased By Wire	\$1,900,000.00	\$1.00	\$114,465,381.49
02/19/2004	02/19/2004	Same Day Wire Redemption	\$3,900,000.00	\$1.00	\$110,565,381.49
02/20/2004	02/20/2004	Shares Purchased By Wire	\$1,400,000.00	\$1.00	\$111,965,381.49
02/23/2004	02/23/2004	Shares Purchased By Wire	\$1,800,000.00	\$1.00	\$113,765,381.49
02/24/2004	02/24/2004	Shares Purchased By Wire	\$18,200,000.00	\$1.00	\$131,965,381.49
02/24/2004	02/24/2004	Same Day Wire Redemption	\$11,000,000.00	\$1.00	\$120,965,381.49
02/25/2004	02/25/2004	Same Day Wire Redemption	\$1,900,000.00	\$1.00	\$119,065,381.49
02/26/2004	02/26/2004	Same Day Wire Redemption	\$2,700,000.00	\$1.00	\$116,365,381.49
02/27/2004	02/27/2004	Shares Purchased By Wire	\$1,600,000.00	\$1.00	\$117,965,381.49
02/29/2004	02/29/2004	Div Reinvest	\$95,514.98	\$1.00	\$118,060,896.47
03/01/2004	03/01/2004	Shares Purchased By Wire	\$1,000,000.00	\$1.00	\$119,060,896.47
03/02/2004	03/02/2004	Same Day Wire Redemption	\$3,600,000.00	\$1.00	\$115,460,896.47
03/04/2004	03/04/2004	Same Day Wire Redemption	\$5,200,000.00	\$1.00	\$110,260,896.47
03/05/2004	03/05/2004	Shares Purchased By Wire	\$2,100,000.00	\$1.00	\$112,360,896.47
03/08/2004	03/08/2004	Shares Purchased By Wire	\$1,300,000.00	\$1.00	\$113,660,896.47
03/09/2004	03/09/2004	Shares Purchased By Wire	\$3,400,000.00	\$1.00	\$117,060,896.47
03/10/2004	03/10/2004	Same Day Wire Redemption	\$6,500,000.00	\$1.00	\$110,560,896.47
03/11/2004	03/11/2004	Same Day Wire Redemption	\$15,300,000.00	\$1.00	\$95,260,896.47
03/12/2004	03/12/2004	Same Day Wire Redemption	\$2,500,000.00	\$1.00	\$92,760,896.47
03/15/2004	03/15/2004	Shares Purchased By Wire	\$3,000,000.00	\$1.00	\$95,760,896.47
03/16/2004	03/16/2004	Same Day Wire Redemption	\$6,900,000.00	\$1.00	\$88,860,896.47
03/17/2004	03/17/2004	Shares Purchased By Wire	\$1,900,000.00	\$1.00	\$90,760,896.47

519575





Investment Managers

Merrill Lynch Funds For Institutions

Merrill Lynch Premier Institutional Fund**Cumulative Statement for 01/01/2004 - 12/31/2004****Account Number**
318-3323735-8**Account Activity**

Confirm Date	Trade Date	Transaction Description	Dollar Amount of Transaction	Share Price	Balance After Transaction
03/18/2004	03/18/2004	Same Day Wire Redemption	\$2,000,000.00	\$1.00	\$88,760,896.47
03/22/2004	03/22/2004	Shares Purchased By Wire	\$2,800,000.00	\$1.00	\$91,560,896.47
03/23/2004	03/23/2004	Same Day Wire Redemption	\$3,800,000.00	\$1.00	\$87,760,896.47
03/24/2004	03/24/2004	Same Day Wire Redemption	\$2,300,000.00	\$1.00	\$85,460,896.47
03/25/2004	03/25/2004	Same Day Wire Redemption	\$9,100,000.00	\$1.00	\$76,360,896.47
03/26/2004	03/26/2004	Shares Purchased By Wire	\$10,200,000.00	\$1.00	\$86,560,896.47
03/29/2004	03/29/2004	Shares Purchased By Wire	\$24,900,000.00	\$1.00	\$111,460,896.47
03/29/2004	03/29/2004	Same Day Wire Redemption	\$21,000,000.00	\$1.00	\$90,460,896.47
03/30/2004	03/30/2004	Shares Purchased By Wire	\$5,700,000.00	\$1.00	\$96,160,896.47
03/31/2004	03/31/2004	Shares Purchased By Wire	\$1,400,000.00	\$1.00	\$97,560,896.47
03/31/2004	03/31/2004	Div Reinvest	\$82,713.78	\$1.00	\$97,643,610.25
04/01/2004	04/01/2004	Same Day Wire Redemption	\$6,500,000.00	\$1.00	\$91,143,610.25
04/02/2004	04/02/2004	Shares Purchased By Wire	\$2,100,000.00	\$1.00	\$93,243,610.25
04/05/2004	04/05/2004	Shares Purchased By Wire	\$3,400,000.00	\$1.00	\$96,643,610.25
04/06/2004	04/06/2004	Shares Purchased By Wire	\$3,500,000.00	\$1.00	\$100,143,610.25
04/07/2004	04/07/2004	Same Day Wire Redemption	\$2,800,000.00	\$1.00	\$97,343,610.25
04/08/2004	04/08/2004	Same Day Wire Redemption	\$10,200,000.00	\$1.00	\$87,143,610.25
04/12/2004	04/12/2004	Shares Purchased By Wire	\$3,600,000.00	\$1.00	\$90,743,610.25
04/15/2004	04/15/2004	Same Day Wire Redemption	\$1,400,000.00	\$1.00	\$89,343,610.25
04/16/2004	04/16/2004	Shares Purchased By Wire	\$3,300,000.00	\$1.00	\$92,643,610.25
04/19/2004	04/19/2004	Shares Purchased By Wire	\$3,600,000.00	\$1.00	\$96,243,610.25
04/20/2004	04/20/2004	Same Day Wire Redemption	\$4,000,000.00	\$1.00	\$92,243,610.25
04/21/2004	04/21/2004	Shares Purchased By Wire	\$1,900,000.00	\$1.00	\$94,143,610.25
04/22/2004	04/22/2004	Shares Purchased By Wire	\$4,500,000.00	\$1.00	\$98,643,610.25
04/22/2004	04/22/2004	Same Day Wire Redemption	\$9,300,000.00	\$1.00	\$89,343,610.25
04/23/2004	04/23/2004	Shares Purchased By Wire	\$4,400,000.00	\$1.00	\$93,743,610.25
04/26/2004	04/26/2004	Shares Purchased By Wire	\$7,900,000.00	\$1.00	\$101,643,610.25
04/27/2004	04/27/2004	Same Day Wire Redemption	\$4,600,000.00	\$1.00	\$97,043,610.25
04/29/2004	04/29/2004	Same Day Wire Redemption	\$1,100,000.00	\$1.00	\$95,943,610.25
04/30/2004	04/30/2004	Shares Purchased By Wire	\$1,600,000.00	\$1.00	\$97,543,610.25
04/30/2004	04/30/2004	Div Reinvest	\$75,341.90	\$1.00	\$97,618,952.15
05/03/2004	05/03/2004	Shares Purchased By Wire	\$2,100,000.00	\$1.00	\$99,718,952.15
05/04/2004	05/04/2004	Shares Redeemed	\$1,500,000.00	\$1.00	\$98,218,952.15
05/05/2004	05/04/2004	Shares Purchased By Wire	\$1,500,000.00	\$1.00	\$99,718,952.15
05/05/2004	05/05/2004	Same Day Wire Redemption	\$1,500,000.00	\$1.00	\$98,218,952.15

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Merrill Lynch

Investment Managers

Merrill Lynch Funds For Institutions

Merrill Lynch Premier Institutional Fund

Cumulative Statement for 01/01/2004 - 12/31/2004

Account Number
318-3323735-8

Account Activity

Confirm Date	Trade Date	Transaction Description	Dollar Amount of Transaction	Share Price	Balance After Transaction
05/06/2004	05/06/2004	Same Day Wire Redemption	\$3,400,000.00	\$1.00	\$94,818,952.15
05/07/2004	05/07/2004	Shares Purchased By Wire	\$900,000.00	\$1.00	\$95,718,952.15
05/10/2004	05/10/2004	Shares Purchased By Wire	\$60,200,000.00	\$1.00	\$155,918,952.15
05/11/2004	05/11/2004	Same Day Wire Redemption	\$8,400,000.00	\$1.00	\$147,518,952.15
05/12/2004	05/12/2004	Shares Purchased By Wire	\$1,000,000.00	\$1.00	\$148,518,952.15
05/13/2004	05/13/2004	Same Day Wire Redemption	\$4,300,000.00	\$1.00	\$144,218,952.15
05/14/2004	05/14/2004	Shares Purchased By Wire	\$3,100,000.00	\$1.00	\$147,318,952.15
05/17/2004	05/17/2004	Shares Purchased By Wire	\$3,200,000.00	\$1.00	\$150,518,952.15
05/19/2004	05/19/2004	Same Day Wire Redemption	\$2,100,000.00	\$1.00	\$148,418,952.15
05/20/2004	05/20/2004	Same Day Wire Redemption	\$3,900,000.00	\$1.00	\$144,518,952.15
05/21/2004	05/21/2004	Shares Purchased By Wire	\$13,100,000.00	\$1.00	\$157,618,952.15
05/24/2004	05/24/2004	Same Day Wire Redemption	\$2,300,000.00	\$1.00	\$155,318,952.15
05/25/2004	05/25/2004	Same Day Wire Redemption	\$200,000.00	\$1.00	\$155,118,952.15
05/25/2004	05/25/2004	Same Day Wire Redemption	\$9,900,000.00	\$1.00	\$145,218,952.15
05/26/2004	05/26/2004	Shares Purchased By Wire	\$12,900,000.00	\$1.00	\$158,118,952.15
05/27/2004	05/27/2004	Shares Purchased By Wire	\$1,800,000.00	\$1.00	\$159,918,952.15
05/28/2004	05/28/2004	Shares Purchased By Wire	\$2,300,000.00	\$1.00	\$162,218,952.15
05/31/2004	05/31/2004	Div Reinvest	\$113,815.86	\$1.00	\$162,332,768.01
06/01/2004	06/01/2004	Same Day Wire Redemption	\$9,900,000.00	\$1.00	\$152,432,768.01
06/01/2004	06/01/2004	Same Day Wire Redemption	\$5,400,000.00	\$1.00	\$147,032,768.01
06/02/2004	06/02/2004	Same Day Wire Redemption	\$1,200,000.00	\$1.00	\$145,832,768.01
06/04/2004	06/04/2004	Shares Purchased By Wire	\$4,600,000.00	\$1.00	\$150,432,768.01
06/07/2004	06/07/2004	Shares Purchased By Wire	\$25,400,000.00	\$1.00	\$175,832,768.01
06/08/2004	06/08/2004	Shares Purchased By Wire	\$9,000,000.00	\$1.00	\$184,832,768.01
06/09/2004	06/09/2004	Same Day Wire Redemption	\$1,600,000.00	\$1.00	\$183,232,768.01
06/10/2004	06/10/2004	Same Day Wire Redemption	\$8,400,000.00	\$1.00	\$174,832,768.01
06/14/2004	06/14/2004	Shares Purchased By Wire	\$5,400,000.00	\$1.00	\$180,232,768.01
06/15/2004	06/15/2004	Same Day Wire Redemption	\$700,000.00	\$1.00	\$179,532,768.01
06/16/2004	06/16/2004	Shares Purchased By Wire	\$3,200,000.00	\$1.00	\$182,732,768.01
06/17/2004	06/17/2004	Same Day Wire Redemption	\$5,700,000.00	\$1.00	\$177,032,768.01
06/18/2004	06/18/2004	Shares Purchased By Wire	\$2,100,000.00	\$1.00	\$179,132,768.01
06/21/2004	06/21/2004	Same Day Wire Redemption	\$1,900,000.00	\$1.00	\$177,232,768.01
06/22/2004	06/22/2004	Same Day Wire Redemption	\$4,500,000.00	\$1.00	\$172,732,768.01
06/23/2004	06/23/2004	Shares Purchased By Wire	\$1,900,000.00	\$1.00	\$174,632,768.01
06/24/2004	06/24/2004	Same Day Wire Redemption	\$5,700,000.00	\$1.00	\$168,932,768.01

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Merrill Lynch Investment Managers

Merrill Lynch Funds For Institutions

Merrill Lynch Premier Institutional Fund

Cumulative Statement for 01/01/2004 - 12/31/2004

Account Number
318-3323735-8

Account Activity

Confirm Date	Trade Date	Transaction Description	Dollar Amount of Transaction	Share Price	Balance After Transaction
06/25/2004	06/25/2004	Shares Purchased By Wire	\$12,700,000.00	\$1.00	\$181,632,768.01
06/28/2004	06/28/2004	Shares Purchased By Wire	\$13,700,000.00	\$1.00	\$195,332,768.01
06/28/2004	06/28/2004	Same Day Wire Redemption	\$4,400,000.00	\$1.00	\$190,932,768.01
06/29/2004	06/29/2004	Shares Purchased By Wire	\$2,700,000.00	\$1.00	\$193,632,768.01
06/30/2004	06/30/2004	Shares Purchased By Wire	\$1,200,000.00	\$1.00	\$194,832,768.01
06/30/2004	06/30/2004	Div Reinvest	\$146,426.51	\$1.00	\$194,979,194.52
07/01/2004	07/01/2004	Same Day Wire Redemption	\$2,400,000.00	\$1.00	\$192,579,194.52
07/02/2004	07/02/2004	Shares Purchased By Wire	\$2,100,000.00	\$1.00	\$194,679,194.52
07/07/2004	07/07/2004	Shares Purchased By Wire	\$3,300,000.00	\$1.00	\$197,979,194.52
07/08/2004	07/08/2004	Same Day Wire Redemption	\$2,500,000.00	\$1.00	\$195,479,194.52
07/08/2004	07/08/2004	Same Day Wire Redemption	\$4,200,000.00	\$1.00	\$191,279,194.52
07/12/2004	07/12/2004	Shares Purchased By Wire	\$1,300,000.00	\$1.00	\$192,579,194.52
07/13/2004	07/13/2004	Same Day Wire Redemption	\$3,900,000.00	\$1.00	\$188,679,194.52
07/14/2004	07/14/2004	Shares Purchased By Wire	\$3,100,000.00	\$1.00	\$191,779,194.52
07/15/2004	07/15/2004	Same Day Wire Redemption	\$800,000.00	\$1.00	\$190,979,194.52
07/16/2004	07/16/2004	Shares Purchased By Wire	\$2,800,000.00	\$1.00	\$193,779,194.52
07/19/2004	07/19/2004	Shares Purchased By Wire	\$4,700,000.00	\$1.00	\$198,479,194.52
07/20/2004	07/20/2004	Same Day Wire Redemption	\$1,900,000.00	\$1.00	\$196,579,194.52
07/21/2004	07/21/2004	Shares Purchased By Wire	\$1,600,000.00	\$1.00	\$198,179,194.52
07/22/2004	07/22/2004	Same Day Wire Redemption	\$3,000,000.00	\$1.00	\$195,179,194.52
07/22/2004	07/22/2004	Same Day Wire Redemption	\$4,400,000.00	\$1.00	\$190,779,194.52
07/26/2004	07/26/2004	Shares Purchased By Wire	\$2,600,000.00	\$1.00	\$193,379,194.52
07/27/2004	07/27/2004	Same Day Wire Redemption	\$2,300,000.00	\$1.00	\$191,079,194.52
07/28/2004	07/28/2004	Same Day Wire Redemption	\$3,200,000.00	\$1.00	\$187,879,194.52
07/29/2004	07/29/2004	Shares Purchased By Wire	\$15,600,000.00	\$1.00	\$203,479,194.52
07/29/2004	07/29/2004	Same Day Wire Redemption	\$4,400,000.00	\$1.00	\$199,079,194.52
07/30/2004	07/30/2004	Shares Purchased By Wire	\$1,900,000.00	\$1.00	\$200,979,194.52
07/31/2004	07/31/2004	Div Reinvest	\$202,297.77	\$1.00	\$201,181,492.29
08/02/2004	08/02/2004	Same Day Wire Redemption	\$50,000,000.00	\$1.00	\$151,181,492.29
08/03/2004	08/03/2004	Same Day Wire Redemption	\$1,000,000.00	\$1.00	\$150,181,492.29
08/04/2004	08/04/2004	Shares Purchased By Wire	\$600,000.00	\$1.00	\$150,781,492.29
08/05/2004	08/05/2004	Shares Purchased By Wire	\$2,100,000.00	\$1.00	\$152,881,492.29
08/06/2004	08/06/2004	Shares Purchased By Wire	\$700,000.00	\$1.00	\$153,581,492.29
08/09/2004	08/09/2004	Shares Purchased By Wire	\$2,300,000.00	\$1.00	\$155,881,492.29
08/10/2004	08/10/2004	Same Day Wire Redemption	\$4,300,000.00	\$1.00	\$151,581,492.29

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**Merrill Lynch Premier Institutional Fund****Cumulative Statement for 01/01/2004 - 12/31/2004****Account Number**
318-3323735-8**Account Activity**

Confirm Date	Trade Date	Transaction Description	Dollar Amount of Transaction	Share Price	Balance After Transaction
08/11/2004	08/11/2004	Same Day Wire Redemption	\$1,600,000.00	\$1.00	\$149,981,492.29
08/12/2004	08/12/2004	Same Day Wire Redemption	\$1,400,000.00	\$1.00	\$148,581,492.29
08/13/2004	08/13/2004	Shares Purchased By Wire	\$2,600,000.00	\$1.00	\$151,181,492.29
08/13/2004	08/13/2004	Same Day Wire Redemption	\$1,100,000.00	\$1.00	\$150,081,492.29
08/16/2004	08/16/2004	Shares Purchased By Wire	\$3,900,000.00	\$1.00	\$153,981,492.29
08/17/2004	08/17/2004	Same Day Wire Redemption	\$2,000,000.00	\$1.00	\$151,981,492.29
08/18/2004	08/18/2004	Shares Purchased By Wire	\$1,800,000.00	\$1.00	\$153,781,492.29
08/19/2004	08/19/2004	Same Day Wire Redemption	\$5,000,000.00	\$1.00	\$148,781,492.29
08/20/2004	08/20/2004	Shares Purchased By Wire	\$1,700,000.00	\$1.00	\$150,481,492.29
08/23/2004	08/23/2004	Same Day Wire Redemption	\$1,400,000.00	\$1.00	\$149,081,492.29
08/24/2004	08/24/2004	Same Day Wire Redemption	\$4,000,000.00	\$1.00	\$145,081,492.29
08/24/2004	08/24/2004	Same Day Wire Redemption	\$1,700,000.00	\$1.00	\$143,381,492.29
08/25/2004	08/25/2004	Same Day Wire Redemption	\$1,200,000.00	\$1.00	\$142,181,492.29
08/26/2004	08/26/2004	Same Day Wire Redemption	\$6,800,000.00	\$1.00	\$135,381,492.29
08/27/2004	08/27/2004	Shares Purchased By Wire	\$12,800,000.00	\$1.00	\$148,181,492.29
08/30/2004	08/30/2004	Shares Purchased By Wire	\$17,100,000.00	\$1.00	\$165,281,492.29
08/30/2004	08/30/2004	Same Day Wire Redemption	\$6,600,000.00	\$1.00	\$158,681,492.29
08/31/2004	08/31/2004	Shares Purchased By Wire	\$3,800,000.00	\$1.00	\$162,481,492.29
08/31/2004	08/31/2004	Div Reinvest	\$178,166.63	\$1.00	\$162,659,658.92
09/02/2004	09/02/2004	Same Day Wire Redemption	\$2,100,000.00	\$1.00	\$160,559,658.92
09/03/2004	09/03/2004	Shares Purchased By Wire	\$2,400,000.00	\$1.00	\$162,959,658.92
09/07/2004	09/07/2004	Same Day Wire Redemption	\$21,800,000.00	\$1.00	\$141,159,658.92
09/08/2004	09/08/2004	Shares Purchased By Wire	\$900,000.00	\$1.00	\$142,059,658.92
09/09/2004	09/09/2004	Same Day Wire Redemption	\$10,300,000.00	\$1.00	\$131,759,658.92
09/13/2004	09/13/2004	Shares Purchased By Wire	\$5,300,000.00	\$1.00	\$137,059,658.92
09/14/2004	09/14/2004	Same Day Wire Redemption	\$4,700,000.00	\$1.00	\$132,359,658.92
09/16/2004	09/16/2004	Same Day Wire Redemption	\$3,800,000.00	\$1.00	\$128,559,658.92
09/17/2004	09/17/2004	Shares Purchased By Wire	\$8,100,000.00	\$1.00	\$136,659,658.92
09/20/2004	09/20/2004	Shares Purchased By Wire	\$5,300,000.00	\$1.00	\$141,959,658.92
09/22/2004	09/22/2004	Shares Purchased By Wire	\$1,400,000.00	\$1.00	\$143,359,658.92
09/22/2004	09/22/2004	Same Day Wire Redemption	\$4,700,000.00	\$1.00	\$138,659,658.92
09/23/2004	09/23/2004	Same Day Wire Redemption	\$10,200,000.00	\$1.00	\$128,459,658.92
09/24/2004	09/24/2004	Shares Purchased By Wire	\$10,500,000.00	\$1.00	\$138,959,658.92
09/27/2004	09/27/2004	Shares Purchased By Wire	\$400,000.00	\$1.00	\$139,359,658.92
09/28/2004	09/28/2004	Same Day Wire Redemption	\$3,700,000.00	\$1.00	\$135,659,658.92

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Account Number 318-3323735-8

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Merrill Lynch Premier Institutional Fund

Cumulative Statement for 01/01/2004 - 12/31/2004

Account Number
318-3323735-8

Account Activity

Confirm Date	Trade Date	Transaction Description	Dollar Amount of Transaction	Share Price	Balance After Transaction
09/29/2004	09/29/2004	Shares Purchased By Wire	\$37,300,000.00	\$1.00	\$172,959,658.92
09/29/2004	09/29/2004	Same Day Wire Redemption	\$24,400,000.00	\$1.00	\$148,559,658.92
09/30/2004	09/30/2004	Shares Purchased By Wire	\$16,200,000.00	\$1.00	\$164,759,658.92
09/30/2004	09/30/2004	Div Reinvest	\$181,012.58	\$1.00	\$164,940,671.50
10/01/2004	10/01/2004	Shares Purchased By Wire	\$1,900,000.00	\$1.00	\$166,840,671.50
10/04/2004	10/04/2004	Shares Purchased By Wire	\$3,700,000.00	\$1.00	\$170,540,671.50
10/05/2004	10/05/2004	Same Day Wire Redemption	\$23,000,000.00	\$1.00	\$147,540,671.50
10/08/2004	10/08/2004	Shares Purchased By Wire	\$19,900,000.00	\$1.00	\$167,440,671.50
10/12/2004	10/12/2004	Same Day Wire Redemption	\$4,900,000.00	\$1.00	\$162,540,671.50
10/13/2004	10/13/2004	Shares Purchased By Wire	\$2,700,000.00	\$1.00	\$165,240,671.50
10/14/2004	10/14/2004	Same Day Wire Redemption	\$1,600,000.00	\$1.00	\$163,640,671.50
10/15/2004	10/15/2004	Shares Purchased By Wire	\$3,800,000.00	\$1.00	\$167,440,671.50
10/18/2004	10/18/2004	Shares Purchased By Wire	\$2,800,000.00	\$1.00	\$170,240,671.50
10/19/2004	10/19/2004	Same Day Wire Redemption	\$3,800,000.00	\$1.00	\$166,440,671.50
10/20/2004	10/20/2004	Same Day Wire Redemption	\$3,100,000.00	\$1.00	\$163,340,671.50
10/21/2004	10/21/2004	Shares Purchased By Wire	\$63,000,000.00	\$1.00	\$226,340,671.50
10/22/2004	10/22/2004	Shares Purchased By Wire	\$8,600,000.00	\$1.00	\$234,940,671.50
10/26/2004	10/26/2004	Same Day Wire Redemption	\$1,100,000.00	\$1.00	\$233,840,671.50
10/27/2004	10/27/2004	Shares Purchased By Wire	\$1,500,000.00	\$1.00	\$235,340,671.50
10/28/2004	10/28/2004	Same Day Wire Redemption	\$800,000.00	\$1.00	\$234,540,671.50
10/29/2004	10/29/2004	Same Day Wire Redemption	\$1,200,000.00	\$1.00	\$233,340,671.50
10/31/2004	10/31/2004	Div Reinvest	\$270,611.86	\$1.00	\$233,611,283.36
11/01/2004	11/01/2004	Shares Purchased By Wire	\$1,300,000.00	\$1.00	\$234,911,283.36
11/02/2004	11/02/2004	Same Day Wire Redemption	\$400,000.00	\$1.00	\$234,511,283.36
11/03/2004	11/03/2004	Shares Purchased By Wire	\$1,600,000.00	\$1.00	\$236,111,283.36
11/04/2004	11/04/2004	Same Day Wire Redemption	\$500,000.00	\$1.00	\$235,611,283.36
11/05/2004	11/05/2004	Shares Purchased By Wire	\$6,100,000.00	\$1.00	\$241,711,283.36
11/08/2004	11/08/2004	Same Day Wire Redemption	\$1,800,000.00	\$1.00	\$239,911,283.36
11/09/2004	11/09/2004	Same Day Wire Redemption	\$3,400,000.00	\$1.00	\$236,511,283.36
11/10/2004	11/10/2004	Same Day Wire Redemption	\$4,400,000.00	\$1.00	\$232,111,283.36
11/12/2004	11/12/2004	Same Day Wire Redemption	\$2,000,000.00	\$1.00	\$230,111,283.36
11/15/2004	11/15/2004	Shares Purchased By Wire	\$3,400,000.00	\$1.00	\$233,511,283.36
11/16/2004	11/16/2004	Same Day Wire Redemption	\$1,900,000.00	\$1.00	\$231,611,283.36
11/18/2004	11/18/2004	Shares Purchased By Wire	\$27,600,000.00	\$1.00	\$259,211,283.36
11/18/2004	11/18/2004	Same Day Wire Redemption	\$5,000,000.00	\$1.00	\$254,211,283.36

Account Number 318-3323735-8 (page 7 of 8)



Merrill Lynch Premier Institutional Fund

Cumulative Statement for 01/01/2004 - 12/31/2004

Account Number
318-3323735-8

Account Activity

Confirm Date	Trade Date	Transaction Description	Dollar Amount of Transaction	Share Price	Balance After Transaction
11/19/2004	11/19/2004	Shares Purchased By Wire	\$13,600,000.00	\$1.00	\$267,811,283.36
11/23/2004	11/23/2004	Same Day Wire Redemption	\$6,200,000.00	\$1.00	\$261,611,283.36
11/24/2004	11/24/2004	Same Day Wire Redemption	\$20,000,000.00	\$1.00	\$241,611,283.36
11/29/2004	11/29/2004	Shares Purchased By Wire	\$12,000,000.00	\$1.00	\$253,611,283.36
11/29/2004	11/29/2004	Same Day Wire Redemption	\$5,500,000.00	\$1.00	\$248,111,283.36
11/30/2004	11/30/2004	Shares Purchased By Wire	\$41,400,000.00	\$1.00	\$289,511,283.36
11/30/2004	11/30/2004	Same Day Wire Redemption	\$13,100,000.00	\$1.00	\$276,411,283.36
11/30/2004	11/30/2004	Div Reinvest	\$366,087.86	\$1.00	\$276,777,371.22
12/01/2004	12/01/2004	Shares Purchased By Wire	\$6,300,000.00	\$1.00	\$283,077,371.22
12/02/2004	12/02/2004	Same Day Wire Redemption	\$1,800,000.00	\$1.00	\$281,277,371.22
12/06/2004	12/06/2004	Shares Purchased By Wire	\$3,900,000.00	\$1.00	\$285,177,371.22
12/07/2004	12/07/2004	Same Day Wire Redemption	\$3,400,000.00	\$1.00	\$281,777,371.22
12/08/2004	12/08/2004	Shares Purchased By Wire	\$4,200,000.00	\$1.00	\$285,977,371.22
12/09/2004	12/09/2004	Same Day Wire Redemption	\$9,600,000.00	\$1.00	\$276,377,371.22
12/13/2004	12/13/2004	Same Day Wire Redemption	\$2,200,000.00	\$1.00	\$274,177,371.22
12/14/2004	12/14/2004	Same Day Wire Redemption	\$2,900,000.00	\$1.00	\$271,277,371.22
12/15/2004	12/15/2004	Shares Purchased By Wire	\$2,000,000.00	\$1.00	\$273,277,371.22
12/16/2004	12/16/2004	Same Day Wire Redemption	\$5,000,000.00	\$1.00	\$268,277,371.22
12/20/2004	12/20/2004	Shares Purchased By Wire	\$2,900,000.00	\$1.00	\$271,177,371.22
12/21/2004	12/21/2004	Same Day Wire Redemption	\$3,400,000.00	\$1.00	\$267,777,371.22
12/22/2004	12/22/2004	Same Day Wire Redemption	\$10,000,000.00	\$1.00	\$257,777,371.22
12/23/2004	12/23/2004	Same Day Wire Redemption	\$1,600,000.00	\$1.00	\$256,177,371.22
12/27/2004	12/27/2004	Shares Purchased By Wire	\$21,400,000.00	\$1.00	\$277,577,371.22
12/28/2004	12/28/2004	Same Day Wire Redemption	\$6,600,000.00	\$1.00	\$270,977,371.22
12/29/2004	12/29/2004	Shares Purchased By Wire	\$18,000,000.00	\$1.00	\$288,977,371.22
12/29/2004	12/29/2004	Shares Purchased By Wire	\$18,400,000.00	\$1.00	\$307,377,371.22
12/29/2004	12/29/2004	Same Day Wire Redemption	\$4,400,000.00	\$1.00	\$302,977,371.22
12/30/2004	12/30/2004	Same Day Wire Redemption	\$2,100,000.00	\$1.00	\$300,877,371.22
12/31/2004	12/31/2004	Shares Purchased By Wire	\$28,900,000.00	\$1.00	\$329,777,371.22
12/31/2004	12/31/2004	Div Reinvest	\$484,399.11	\$1.00	\$330,261,770.33
		Ending Balance			\$330,261,770.33

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JPMorganC case



W.R. GRACE AND COMPANY
ATTN: CORPORATE FINANCE
7500 GRACE DRIVE
COLUMBIA MD 21044

Statement of Account

In US Dollars
323-223141
01 DEC 2004
31 DEC 2004
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TRANSACTIONS		BALANCES		ENCLOSURES	
Total Credits	1	745,870.67	Opening (01 DEC 2004)	Closing (31 DEC 2004)	0
Total Debits (Incl. checks)	1	745,870.67	Ledger	.00	0
Total Checks Paid	0	0.00			0

Ledger	Adj.	Ledger	Value	F	T	Reference	Date	Ref/ID	Balance	Amount

CREDITS	03DEC	USD	YOUR: NC0638702412030401	745,870.67	NASSAU DEPOSIT TAKEN	B/D: WR GRACE & COMPANY	LEDGER BALANCES	03DEC
			OUR: 0433800177IN		ATTN: NANCY QUENSEL	REF: TO REPAY YOUR DEPOSIT FR 04110		

DEBITS	03DEC	USD	YOUR: ND0678805712030401	745,870.67	NASSAU DEPOSIT TAKEN	A/C: WR GRACE & COMPANY	US1 - ONE DAY FLOT	US2 - TWO DAY FLOT	US3 - THREE DAY FLOT	US4 - FOUR DAY FLOT	US5 - FIVE DAY FLOT	USM - MIXED FLOT
			OUR: 0433801219IN		ATTN: NANCY QUENSEL	REF: TO ESTABLISH YOUR DEPOSIT FR 041203 TO 050104 RATE 1.7500						

CHECKS	No Activity

FT CODE:
USD - SAME DAY FUNDS
USN - NEXT DAY FUNDS

US1 - ONE DAY FLOAT
US2 - TWO DAY FLOAT
US3 - THREE DAY FLOAT
US4 - FOUR DAY FLOAT

US5 - FIVE DAY FLOAT

USM - MIXED FLOAT

PLEASE EXAMINE THIS STATEMENT OF ACCOUNT AT ONCE. THE MAINTENANCE OF THIS ACCOUNT IS SUBJECT TO THE PROVISIONS OF THE NEW YORK UNIFORM COMMERCIAL CODE AND THE BANK'S TERMS AND CONDITIONS FOR BUSINESS ACCOUNTS AND SERVICES. THE BANK DISCLAIMS RESPONSIBILITY FOR ANY ERROR IN OR IMPROPER CHARGE TO THE ACCOUNT AS RENDERED UNLESS INFORMED IN WRITING OF THIS ERROR OR CHARGE WITHIN SIXTY DAYS OF THE DELIVERY OR CHARGE OF THE STATEMENT AND CANCELED VOUCHERS. KINDLY REFER TO THE INSTRUCTIONS ON THE REVERSE SIDE OF THIS STATEMENT IN ORDER TO DIRECT YOUR INQUIRIES TO THE PROPER DEPARTMENT FOR PROMPT ACTION.

JI MorganChase

Statement of Account

W.R. GRACE AND COMPANY
SYRACUSE FUNDING ACCOUNT
ATTN: DARLEN FARLIN
62 WHITTEMORE AVENUE
CAMBRIDGE MA 02140

TS

In US Dollars
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TRANSACTIONS			BALANCES		
Ledger	Adj Ledger	Date	F	T	References
Total Credits	48	65,042,260.11			Opening (01 DEC 2004)
Total Debits (Incl. checks)	46	65,085,539.37			Closing (15 DEC 2004)
Total Checks Paid	0	0.00			Ledger

Ledger	Adj Ledger	Date	F	T	References	Credit/Debit	Description	Date	Closing Balances	Amount
									LEDGER BALANCES	

01DEC	USD YOUR:	041201401026			16,101.56	FEDWIRE CREDIT	VIA: WACHOVIA BANK NA	/031201467	01DEC	249,900.60
		DUR:	05919033336FF						02DEC	295,345.13
									03DEC	683,823.34
									06DEC	253,599.75
									07DEC	384,904.58
									08DEC	264,301.39
									09DEC	320,706.63
									10DEC	303,251.85
									13DEC	240,823.22
									14DEC	238,259.82
									15DEC	248,956.78
01DEC	USD YOUR:	041201401022			25,198.10	FEDWIRE CREDIT	VIA: WACHOVIA BANK NA	/031201467		
		DUR:	05897033336FF						B/0: EMPLOYEE SHAREHOLDER SERVICES	
									PHILADELPHIA PA-1328	
								REF: CHASE NYC/CTR/BNF=W.R. GRACE A		
								ND COMPANY CAMBRIDGE MA 02140-/AC-0		
								0000000160 RFB=041201401026 OBI=ST		
								F STOCK OPTION EXERCISE TAX NOV 24 2004		
								IMAD: 1201E3B75DACP05913		
								IMAD: 1201E3B75DACP05905		
								ELECTRONIC FUNDS TRANSFER		
								ORIG CO NAME: BENEFIT PYMTS		
								ORIG ID: 9186063000 DESC DATE:		
								CO ENTRY DESCR: DED PMT SEC: PPD		
								TRACE#: 02100024156338 EED: 041201		
01DEC	USD DUR:	3364156338TC						IND ID: 4205ACH A		
								IND NAME: W R GRACE		
								0207-3001		

FT CODE:

USD - SAME DAY FUNDS
USN - NEXT DAY FUNDS

US1 - ONE DAY FLOAT
US2 - TWO DAY FLOAT

US3 - THREE DAY FLOAT
US4 - FOUR DAY FLOAT

US5 - FIVE DAY FLOAT
USM - MIXED FLOAT

PLEASE EXAMINE THIS STATEMENT OF ACCOUNT AT ONCE. THE MAINTENANCE OF THIS ACCOUNT IS SUBJECT TO THE PROVISIONS OF THE NEW YORK UNIFORM COMMERCIAL CODE AND THE BANK'S TERMS AND CONDITIONS FOR BUSINESS ACCOUNTS. THE BANK DISCLAIMS RESPONSIBILITY FOR ANY ERROR IN OR IMPROPER CHARGE TO THE ACCOUNT AS RENDERED UNLESS INFORMED IN WRITING OF THIS ERROR OR CHARGE WITHIN SIXTY DAYS OF THE DELIVERY OR AVAILABILITY OF THE STATEMENT AND CANCELED VOUCHERS. KINDLY REFER TO THE INSTRUCTIONS ON THE REVERSE SIDE OF THIS STATEMENT IN ORDER TO DIRECT YOUR INQUIRIES TO THE PROPER DEPARTMENT FOR PROMPT ACTION.

JL_MorganChase

Statement of Account

**W.R. GRACE AND COMPANY
SYRACUSE FUNDING ACCOUNT
ATTN: DARLEN PARLIN
62 WHITTEMORE AVENUE
CAMBRIDGE MA 02140**

Ledger Date	Adj Ledger Date	Value Date	F T	References	Credit/Debit	Date Action	Closing Balance	Amount
CREDITS CONTINUED								
01DEC	01DEC	USD YOUR: 0/B BKAM IL C60		OUR: 0186801336FF	2,733,398.90	FEDWIRE CREDIT	VIA: BANK OF AMERICA	/071000039
		B/O: W.R. GRACE & CO.-CONN. COLUMBIA MD 21044-4098 REF: CHASE NYC/CTR/BNF=W.R. GRACE AND COMPANY CAMBRIDGE MA 02140-/AC-00000000160 RFB=0/B BKAM IL C60 BBI=TIME/10:49 IMAD: 120161QFGY2C000397						
01DEC	01DEC	USD YOUR: 0/B WACHOVIA BK		OUR: 0514207336FF	5,136,890.72	FEDWIRE CREDIT	VIA: WACHOVIA BANK BANK OF NC, NA	/053000219
		B/O: W.R. GRACE & CO-CONN COLUMBIA MD 21044-4098 REF: CHASE NYC/CTR/BNF=W.R. GRACE AND COMPANY CAMBRIDGE MA 02140-/AC-00000000160 RFB=0/B WACHOVIA BK BDI=F FUNDS TRANSFER FROM DAVISON LOCKBO IMAD: 1201E3B75D1C004499						
02DEC	02DEC	USD YOUR: 041202400855		OUR: 0409207337FF	14,005.54	FEDWIRE CREDIT	VIA: WACHOVIA BANK NA	/031201467
		B/O: EMPLOYEE SHAREHOLDER SERVICES PHILADELPHIA PA-1328 REF: CHASE NYC/CTR/BNF=W.R. GRACE AND COMPANY CAMBRIDGE MA 02140-/AC-00000000160 RFB=041202400855 OBI=STOCK OPTION EXERCISE TAX NOV 26 BBI=IMAD: 1202E3B75DAC004779						
02DEC	02DEC	USD YOUR: 041202400853		OUR: 0402108337FF	16,320.00	FEDWIRE CREDIT	VIA: WACHOVIA BANK NA	/031201467
		B/O: EMPLOYEE SHAREHOLDER SERVICES PHILADELPHIA PA-1328 REF: CHASE NYC/CTR/BNF=W.R. GRACE AND COMPANY CAMBRIDGE MA 02140-/AC-00000000160 RFB=041202400853 OBI=REF STOCK OPTION EXERCISE COST NOV 26 IMAD: 1202E3B75DAC004776						
02DEC	02DEC	USD YOUR: MAESTRO		OUR: 0389007337FF	1,800,000.00	FEDWIRE CREDIT	VIA: STATE STREET BANK & TRUST COMP	/011000028
		B/O: W.R. GRACE & CO - CONN						

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MorganChase

Statement of Account

W.R. GRACE AND COMPANY
SYRACUSE FUNDING ACCOUNT
ATTN: DARLEN PARLIN
62 WHITEMORE AVENUE
CAMBRIDGE MA 02140

In US Dollars
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Ledger Date	Adj. Ledger Date	Value Date	F	T	References	Credit / Debit	Date Rec'd	Closing Balance	Amount
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CREDITS CONTINUED

02DEC	02DEC	USD YOUR: 0/B BKAM IL CGO OUR: 0153603337FF				2,045,507.18	/07100039 B/O: W.R. GRACE & CO.-CONN. COLUMBIA MD 21044-4029 REF: CHASE NYC/CTR/BNF=W.R. GRACE A ND COMPANY CAMBRIDGE MA 02140-/AC-0 0000000160 RFB=O/B BKAM IL CGO BBI =/TIME IMAD: 1202A1Q002HC001577 FEDWIRE CREDIT VIA: BANK OF AMERICA	
02DEC	02DEC	USD YOUR: 0/B WACHOVIA BK OUR: 0156601337FF				2,297,117.45	/053000219 B/O: W.R. GRACE & CO-CONN COLUMBIA MD 21044-4098 REF: CHASE NYC/CTR/BNF=W.R. GRACE A ND COMPANY CAMBRIDGE MA 02140-/AC-0 0000000160 RFB=O/B WACHOVIA BK OBI =FUNDS TRANSFER FROM DAVISON LOCKBO IMAD: 1202E3B75DIC001796 FEDWIRE CREDIT VIA: WACHOVIA BANK BANK OF NC, NA	
03DEC	03DEC	USD YOUR: 041203400850 OUR: 0330907338FF				5,400.00	/031201467 B/O: EMPLOYEE SHAREHOLDER SERVICES PHILADELPHIA PA-1328 REF: CHASE NYC/CTR/BNF=W.R. GRACE A ND COMPANY CAMBRIDGE MA 02140-/AC-0 0000000160 RFB=041203400850 OBI=RE F STOCK OPTION EXERCISE COST NOV 29 IMAD: 1203E3B75DAC004159 FEDWIRE CREDIT VIA: WACHOVIA BANK NA	
03DEC	03DEC	USD YOUR: 041203400849 OUR: 0334314338FF				8,826.41	/031201467 B/O: EMPLOYEE SHAREHOLDER SERVICES PHILADELPHIA PA-1328 REF: CHASE NYC/CTR/BNF=W.R. GRACE A ND COMPANY CAMBRIDGE MA 02140-/AC-0 0000000160 RFB=041203400849 OBI=ST	

Ji MorganChase

Statement of Account

W.R. GRACE AND COMPANY
SYRACUSE FUNDING ACCOUNT
ATTN: DARLEN PARLIN
62 WHITEMORE AVENUE
CAMBRIDGE MA 02140

In US Dollars
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Ledger	Act Ledger	Value	F	T	Reference
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CREDITS CONTINUED

Ledger	Act Ledger	Date	Credit / Debit	Description
03DEC	USD YOUR: 0/B WACHOVIA BK			
	OUR: 0146902338FF			
03DEC	USD YOUR: 0/B WACHOVIA BK			
	OUR: 0337214338FF			

Ledger	Act Ledger	Date	Credit / Debit	Description
03DEC	USD YOUR: 0/B BKAM IL CGD			
	OUR: 0153507338FF			
03DEC	USD YOUR: 0/B BKAM IL CGD			
	OUR: 041206401017			
06DEC	USD YOUR: 0456203341FF			
06DEC	USD YOUR: 041206401016			
	OUR: 0459007341FF			

Closing Balance
Amount

Date

Ledger	Act Ledger	Date	Credit / Debit	Description
03DEC	USD YOUR: 0/B WACHOVIA BK			
	OUR: 0146902338FF			
03DEC	USD YOUR: 0/B WACHOVIA BK			
	OUR: 0337214338FF			
03DEC	USD YOUR: 0/B BKAM IL CGD			
	OUR: 0153507338FF			
03DEC	USD YOUR: 0/B BKAM IL CGD			
	OUR: 041206401017			
06DEC	USD YOUR: 0456203341FF			
06DEC	USD YOUR: 041206401016			
	OUR: 0459007341FF			

Ledger	Act Ledger	Date	Credit / Debit	Description
03DEC	USD YOUR: 0/B WACHOVIA BK			
	OUR: 0146902338FF			
03DEC	USD YOUR: 0/B WACHOVIA BK			
	OUR: 0337214338FF			
03DEC	USD YOUR: 0/B BKAM IL CGD			
	OUR: 0153507338FF			
03DEC	USD YOUR: 0/B BKAM IL CGD			
	OUR: 041206401017			
06DEC	USD YOUR: 0456203341FF			
06DEC	USD YOUR: 041206401016			
	OUR: 0459007341FF			

Ledger	Act Ledger	Date	Credit / Debit	Description
03DEC	USD YOUR: 0/B WACHOVIA BK			
	OUR: 0146902338FF			
03DEC	USD YOUR: 0/B WACHOVIA BK			
	OUR: 0337214338FF			
03DEC	USD YOUR: 0/B BKAM IL CGD			
	OUR: 0153507338FF			
03DEC	USD YOUR: 0/B BKAM IL CGD			
	OUR: 041206401017			
06DEC	USD YOUR: 0456203341FF			
06DEC	USD YOUR: 041206401016			
	OUR: 0459007341FF			

Statement of Account

J. Morgan Chase

W.R. GRACE AND COMPANY
SYRACUSE FUNDING ACCOUNT
ATTN: DARLEN PARLIN
662 WHITTEMORE AVENUE
CAMBRIDGE MA 02140

CREDITS CONTINUED

CREDITS CONTINUED

Adj Ledger Date	Value Date	F	T	References	Credit / Debit	Description	Closing Balances - Amoun
CREDITS CONTINUED							
/031201467						B/0: EMPLOYEE SHAREHOLDER SERVICES PHILADELPHIA PA-1328 REF: CHASE NYC/CTR/BNF=W.R. GRACE A ND COMPANY CAMBRIDGE MA 02140-/AC-0 0000000160 RFB=041206401016 OBI=RE F STOCK OPTION EXERCISE COST NOV 30 IMAD: 1206E3B75DACP004978	
						FEDWIRE CREDIT VIA: WACHOVIA BANK BANK OF NC, NA /0530000219	
						B/0: W.R. GRACE & CO-CONN COLUMBIA MD 21044-4098 REF: CHASE NYC/CTR/BNF=W.R. GRACE A ND COMPANY CAMBRIDGE MA 02140-/AC-0 0000000160 RFB=0/B WACHOVIA BK OBI =FUNDS TRANSFER FROM DAVISON LOCKBO IMAD: 1206E3B75D1C002770	
						FEDWIRE CREDIT VIA: BANK OF AMERICA /071000039	
						B/0: W.R. GRACE & CO.-CONN. COLUMBIA, MD 21044-4098 REF: CHASE NYC/CTR/BNF=W.R. GRACE A ND COMPANY CAMBRIDGE MA 02140-/AC-0 0000000160 RFB=0/B BKAM IL CGO BBI =/TIME/11:04 IMAD: 1206G1QFGY2C000253	
						FEDWIRE CREDIT VIA: WACHOVIA BANK NA /031201467	
						B/0: EMPLOYEE SHAREHOLDER SERVICES PHILADELPHIA PA-1328 REF: CHASE NYC/CTR/BNF=W.R. GRACE A ND COMPANY CAMBRIDGE MA 02140-/AC-0 0000000160 RFB=041207400895 OBI=ST OCK OPTION EXERCISE TAX TD DEC 1 20 IMAD: 1207E3B75DACP004678	
						FEDWIRE CREDIT VIA: WACHOVIA BANK NA /031201467	
						B/0: EMPLOYEE SHAREHOLDER SERVICES PHILADELPHIA PA-1328 REF: CHASE NYC/CTR/BNF=W.R. GRACE A	
06DEC	USD	YOUR:	0/B	WACHOVIA BK	2,337,719.46	OUR: 0242609341FF	
06DEC	USD	YOUR:	0/B	WACHOVIA BK	3,458,469.25	OUR: 0119601341FF	
06DEC	USD	YOUR:	0/B	BKAM IL	26,440.45	C60 OUR: 0119601341FF	
07DEC	USD	YOUR:	041207400895		125,379.96	OUR: 0423802342FF	
07DEC	USD	YOUR:	041207400894			OUR: 0422902342FF	

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Statement of Account

W.R. GRACE AND COMPANY
SYRACUSE FUNDING ACCOUNT
ATTN: DARLEN PARLIN
62 WHITEMORE AVENUE
CAMBRIDGE MA 02140

In US Dollars
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Ledger	Adj. Ledger	Value Date	F	T	References

CREDITS CONTINUED

07DEC	USD	YOUR:	0/B WACHOVIA BK	OUR:	0105607342FF	826,496.00	VIA: BANK OF AMERICA	/071000039	B/O: W.R. GRACE & CO -CONN
07DEC	USD	YOUR:	0/B BKAM IL CGO	OUR:	0104009342FF	1,506,722.25	VIA: WACHOVIA BANK BANK OF NC, NA	/053000219	B/O: W.R. GRACE & CO-CONN
07DEC	USD	YOUR:	0/B WACHOVIA BK	OUR:	0339713342FF	3,400,000.00	VIA: STATE STREET BANK & TRUST COMP	/011000028	COLUMBIA MD 21044-4029
07DEC	USD	YOUR:	MAESTRO	OUR:	0339713342FF		REF: CHASE NYC/CTR/BNF=W.R. GRACE A		REF: CHASE NYC/CTR/BNF=W.R. GRACE A

ND COMPANY CAMBRIDGE MA 02140-/AC-0
0000000160 RFB=041207400894 OBI=RE
F STOCK OPTION EXERCISE COST TD DEC
IMAD: 1207E3B75D4C04669

608,976.08 FEDWIRE CREDIT
VIA: WACHOVIA BANK NA OF FLORIDA
/063000021
B/O: W.R. GRACE AND CO CONN
COLUMBIA MD 21044-4098

REF: CHASE NYC/CTR/BNF=W.R. GRACE A
ND COMPANY CAMBRIDGE MA 02140-/AC-0
0000000160 RFB=0/B WACHOVIA BK BBI
=TIME/14:54

IMAD: 1207E3B75D2C001786

VIA: BANK OF AMERICA
/071000039

B/O: W.R. GRACE & CO-CONN
COLUMBIA MD 21044-4098

REF: CHASE NYC/CTR/BNF=W.R. GRACE A
ND COMPANY CAMBRIDGE MA 02140-/AC-0
0000000160 RFB=0/B WACHOVIA BK BBI
=TIME/11:01

IMAD: 1207E3B75D1C001192

1,506,722.25 FEDWIRE CREDIT

VIA: WACHOVIA BANK BANK OF NC, NA
/053000219

B/O: W.R. GRACE & CO-CONN

COLUMBIA MD 21044-4029

REF: CHASE NYC/CTR/BNF=W.R. GRACE A
ND COMPANY CAMBRIDGE MA 02140-/AC-0
0000000160 RFB=MAESTRO OBI=FUND-31
8-P 1-S 1 ML PREMIER FUND BBI=TIME
IMAD: 1207A1Q002CC001340

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Statement of Account

W.R. GRACE AND COMPANY
SYRACUSE FUNDING ACCOUNT
ATTN: DARLEN PARLIN
62 WHITTEMORE AVENUE
CAMBRIDGE MA 02140

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In US Dollars
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15 DEC 2004
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Ledger Date	Adj Ledger Date	Value Date	F.I.	References	Credit/Debit	Description	Closing Balances Date	Amount
CREDITS CONTINUED								
08DEC		USD YOUR: 041208400859 OUR: 0407603343FF			7,869.71	FEDWIRE CREDIT VIA: WACHOVIA BANK NA /031201667		
08DEC		USD YOUR: 041208400857 OUR: 0411214343FF			20,781.34	FEDWIRE CREDIT VIA: WACHOVIA BANK NA /031201667		
08DEC		USD YOUR: 0/B WACHOVIA BK OUR: 0119109343FF			1,380,653.83	B/O: EMPLOYEE SHAREHOLDER SERVICES PHILADELPHIA PA-1328 REF: CHASE NYC/CTR/BNF=W.R. GRACE A ND COMPANY CAMBRIDGE MA 02140-/AC-0 0000000160 RFB=041208400857 OBI=RE F STOCK OPTION EXERCISE COST TD DEC IMAD: 1208E3B75DAC005086 VIA: WACHOVIA BANK NA /053000219		
08DEC		USD YOUR: 0004585593 OUR: 4279800343FC			1,415,604.74	B/O: W.R. GRACE & CO-CONN COLUMBIA MD 21044-4098 REF: CHASE NYC/CTR/BNF=W.R. GRACE A ND COMPANY CAMBRIDGE MA 02140-/AC-0 0000000160 RFB=0/B WACHOVIA BK OBI xFUNDS TRANSFER FROM DAVISON LOCKBO IMAD: 1208E3B75D1C001364 CHIPS CREDIT VIA: THE BANK OF NOVA SCOTIA /0253		
08DEC		USD YOUR: 0/B BKAM IL CG0 OUR: 0113501343FF			2,589,647.38	B/O: GRACE CANADA INC OAKVILLE, ONTARIO CANADA REF: NBWF W.R. GRACE AND COMPANY CA MBRIDGE MA 02140-/AC-000000000160 O RG=2404420204110 OAKVILLE, ONTARIO C ANADA OGB=B N S HIGHWAY 10 N MATHESS SSN: 0235585 VIA: BANK OF AMERICA /071000039		
08DEC						B/O: W.R. GRACE & CO.-CONN.		

Ji_MorganChase

Statement of Account

W.R. GRACE AND COMPANY
SYRACUSE FUNDING ACCOUNT
ATTN: DARLEN PARLIN
62 WHITEMORE AVENUE
CAMBRIDGE MA 02140

Ledger Date Adj Ledger Date Value F T References

CREDITS CONTINUED

10DEC USD YOUR: 041210400898
OUR: 0422808345FF

10DEC USD YOUR: 041210400895
OUR: 0436809345FF

10DEC USD YOUR: 0/B BKAM IL C60
OUR: 0283507345FF

10DEC USD YOUR: 0/B WACHOVIA BK
OUR: 0277902345FF

10DEC USD YOUR: 0/B WACHOVIA BK
OUR: 0357113348FF

TS
W.R. GRACE AND COMPANY
SYRACUSE FUNDING ACCOUNT
ATTN: DARLEN PARLIN
62 WHITEMORE AVENUE
CAMBRIDGE MA 02140

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In US Dollars
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Ledger Date	Adj Ledger Date	Value F T	References	Credit / Debit	Date	Closing Balance	Date	Amount
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10DEC	10DEC	USD	YOUR: 041210400898 OUR: 0422808345FF	20,400.00	VIA: WACHOVIA BANK NA	8-P-1-S 1ML PREMIER FUND BBI-/TIME IMAD: 1209A1Q002DC001429	REF: CHASE NYC/CTR/BNF=W.R. GRACE A ND COMPANY CAMBRIDGE MA 02140-/AC-0 0000000160 RFB=041210400898 OBI-RE F STOCK OPTION EXERCISE COST BBI-/T IMAD: 1210E3B75DAC005111
10DEC	10DEC	USD	YOUR: 041210400895 OUR: 0436809345FF	35,905.83	VIA: WACHOVIA BANK NA	/031201467 B/O: EMPLOYEE SHAREHOLDER SERVICES PHILADELPHIA PA-1328 REF: CHASE NYC/CTR/BNF=W.R. GRACE A ND COMPANY CAMBRIDGE MA 02140-/AC-0 0000000160 RFB=041210400895 OBI-ST OCK OPTION EXERCISE TAX TD DEC 6 20 IMAD: 1210E3B75DAC005109	
10DEC	10DEC	USD	YOUR: 0/B BKAM IL C60 OUR: 0283507345FF	616,987.83	VIA: BANK OF AMERICA	/071000039 B/O: W.R. GRACE & CO.-CONN. COLUMBIA MD 21044-4098 REF: CHASE NYC/CTR/BNF=W.R. GRACE A ND COMPANY CAMBRIDGE MA 02140-/AC-0 0000000160 RFB=0/B BKAM IL C60 BBI =/TIME/14:24 IMAD: 1210G1QFGY2C000830	
10DEC	10DEC	USD	YOUR: 0/B WACHOVIA BK OUR: 0277902345FF	1,031,570.93	VIA: WACHOVIA BANK BANK OF NC, NA /053000219 B/O: W.R. GRACE & CO-CONN COLUMBIA MD 21044-4098 REF: CHASE NYC/CTR/BNF=W.R. GRACE A ND COMPANY CAMBRIDGE MA 02140-/AC-0 0000000160 RFB=0/B WACHOVIA BK OBI -FUNDS TRANSFER FROM DAVISON LOCKBO IMAD: 1210E3B75D1C003204		
13DEC	13DEC	USD	YOUR: 0/B BKAM IL C60 OUR: 0357113348FF	1,796,898.24	VIA: BANK OF AMERICA		

MorganChase

Statement of Account

W.R. GRACE AND COMPANY
SYRACUSE FUNDING ACCOUNT
ATTN: DARLEN PARLIN
62 WHITEMORE AVENUE
CAMBRIDGE MA 02140

In US Dollars
Account No: 016-001257
Statement Start Date: 01 DEC 2004
Statement End Date: 15 DEC 2004
Statement Code: S00-USA-22
Statement No: 023

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Ledger Date	Adj. Ledger Date	Value Date	F	T	References	Credit/Debit	Due Date	Closing Balance	Amount
CREDITS CONTINUED									

13DEC USD YOUR: MAESTRO
OUR: 0431702348FF

2,200,000.00

FEDWIRE CREDIT

/071000039
B/O: W.R. GRACE & CO - CONN.
COLUMBIA, MD 21044-4098
REF: CHASE NYC/CTR/BNF=W.R. GRACE A
ND COMPANY CAMBRIDGE MA 02140-/AC-0
0000000160 RFB=0/B BKAM IL CGO BBI
-TIME/15:17
IMAD: 121361QFGY2C000807

13DEC USD YOUR: 0/B WACHOVIA BK
OUR: 0345207348FF

2,464,085.71

FEDWIRE CREDIT

/011000028
B/O: W.R. GRACE & CO - CONN
COLUMBIA MD 21044-4029
REF: CHASE NYC/CTR/BNF=W.R. GRACE A
ND COMPANY CAMBRIDGE MA 02140-/AC-0
0000000160 RFB=MAESTRO OBI=FUND-31
8-P 1-S 1 ML PREMIER FUND BBI-/TIME
IMAD: 1213A1Q0026C001834

13DEC USD YOUR: 0/B WACHOVIA BK
OUR: 0350514349FF

10,956.80

FEDWIRE CREDIT

/053000219
B/O: W.R. GRACE & CO-CONN
COLUMBIA MD 21044-4098
REF: CHASE NYC/CTR/BNF=W.R. GRACE A
ND COMPANY CAMBRIDGE MA 02140-/AC-0
0000000160 RFB=0/B WACHOVIA BK OBI
-FUNDS TRANSFER FROM DAVISON LOCK30
IMAD: 1213E3B75D1C003378

14DEC USD YOUR: 43491628741
OUR: 0226103349FF

1,270,045.59

FEDWIRE CREDIT

/026008073
B/Q: GRACE BRASIL LTDA
BRASIL
REF: CHASE NYC/CTR/BNF=W.R. GRACE A
ND COMPANY CAMBRIDGE MA 02140-/AC-0
0000000160 RFB=43491628741 OBI=/IN
V/92099214 VCP04041860 BBI=/BNF/OBI
IMAD: 1214B1Q8631C000470
VIA: BANK OF AMERICA

14DEC USD YOUR: 0/B BKAM IL CGO
OUR: 0226103349FF

/071000039

B/O: W.R. GRACE & CO.-CONN.

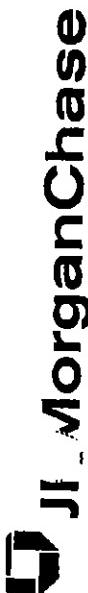
B/Q: W.R. GRACE & CO.-CONN.
COLUMBIA, MD 21044-4098
REF: CHASE NYC/CTR/BNF=W.R. GRACE A

14DEC USD YOUR: 0/B BKAM IL CGO
OUR: 0226103349FF

1,270,045.59

FEDWIRE CREDIT

VIA: BANK OF AMERICA

**Statement of Account**

W.R. GRACE AND COMPANY
SYRACUSE FUNDING ACCOUNT
ATTN: DARLEN PARLIN
62 WHITTEMORE AVENUE
CAMBRIDGE MA 02140

In US Dollars
016-001257
01 DEC 2004
15 DEC 2004
S00-USA-22
023

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Ledger	Adj Ledger	Value	Date	Ref	Date	Closing Balance	Amount
CREDITS CONTINUED							
15DEC	15DEC	USD YOUR : 0/B BKAM IL CGO	2,815,632.70	FEDWIRE CREDIT	VIA: BANK OF AMERICA		
		OUR: 0356209350FF		/071000039	B/O: W.R. GRACE & CO.-CONN.		
				COLUMBIA MD 21044-4098			
				REF: CHASE NYC/CTR/BNF=W.R. GRACE A			
				ND COMPANY CAMBRIDGE MA 02140-/AC-0			
				0000000160-RFB=0/B BKAM IL CGO BBI			
				-TIME/13-57			
				IMAD: 121501QF6Y2C001060			
DEBITS							
01DEC		USD OUR: 0016380118XF	45,502.28	AUTOMATIC DOLLAR/FLOAT TRANSFER	VIA: F121000358		
01DEC	01DEC	USD YOUR: NONREF	170,742.15	TO ACCOUNT 000323196705	A/C: BANK AMERICA BUSINESS CREDIT,		
		OUR: 2364700336J0		VIA: F121000358	ATTN: JOANN BASDEO 212-503-7642		
01DEC	01DEC	USD YOUR: NONREF	650,000.00	BOOK TRANSFER DEBIT	REF: /TIME/15:51		
		OUR: 1313700336J0		VIA: F1201B1QGC06C005284	IMAD: 1201B1QGC06C005284		
01DEC	01DEC	USD YOUR: NONREF	1,400,000.00	FEDWIRE DEBIT	A/C: GRACE INTERNATIONAL HOLDINGS, I		
		OUR: 2364500336J0		VIA: WACHOVIA BK NA NC	CAMBRIDGE MA 02140-		
				/053000219	FEDWIRE DEBIT		
				A/C: W.R. GRACE & CO - CONN	VIA: STATE ST BOS		
				REF: W.R. GRACE PAYMENT FOR CONTROL	/01100028		
				LED DISBURSEMENT ACCOUNTS	A/C: MERRILL LYNCH PREMIER INSTITUT		
				IMAD: 1201B1QGC02C005214	REF: FFC TO ACCOUNT 3323735 NO WR G		
				VIA: STATE ST BOS	RACE & CO - CONN ATTN: MERRILL GROU		
					P (TRANSFER FUNDS)		
01DEC	01DEC	USD YOUR: NONREF	6,300,000.00	33,129.02	IMAD: 1201B1QGC01C004902		
		OUR: 2364600336J0		AUTOMATIC DOLLAR/FLOAT TRANSFER	TO ACCOUNT 000323196705		
02DEC	02DEC	USD YOUR: NONREF	194,376.62	194,376.62	194,376.62		
		OUR: 1388000337J0		CHIPS DEBIT	VIA: DEUTSCHE BANK TRUST CO AMERICA		
				/0103			